JOURNAL

of the

HOUSE OF REPRESENTATIVES

of the

GENERAL ASSEMBLY

of the

COMMONWEALTH OF KENTUCKY

Regular Session of 1970

Volume I

Held in the State Capitol in the Capital City of Frankfort, at
Frankfort, in the Year of Our Lord 1970 and
in the One Hundred and Seventy-Eighth
Year of the Commonwealth

Begun on the Sixth Day of January, 1970, and Adjourned
Sine Die on the Twentieth Day of March, 1970

Paid from State Funds

DUNNE PRESS
PRINTERS TO THE COMMONWEALTH OF KENTUCKY
LOUISVILLE, KENTUCKY

Edited and Published

by

The Staff of the

Kentucky Legislative Research Commission

Frankfort, Kentucky

FOREWORD

The Constitution requires each house of the General Assembly to keep a Journal of its proceedings. The Journal is intended to assure a public account of legislative activity and constitutes the final official record of action by the General Assembly.

Under the provisions of Section 6.161, 6.162 and 57.151 of the *Kentucky Revised Statutes*, the Legislative Research Commission is responsible for comparing, editing, correcting, and publishing the Journals as approved by each house of the General Assembly. This volume represents the fulfillment of that obligation.

The text of a bill is spread in full when it receives a first reading. The roll call on passage of a bill is indicated upon its receipt of a third reading. Simple and concurrent resolutions are printed on first reading when applicable or when adopted, and joint resolutions are treated as bills. A table of actions on bills and resolutions is appended.

Mrs. Shan Stone Gray and Mrs. Kathy Roberts prepared the 1970 House Journal. The edited copy and index found in this volume reflect the cooperative efforts of the research section of the Commission's staff.

JAMES T. FLEMING
Director

The Capitol
Frankfort, Kentucky

JOURNAL
OF THE
HOUSE OF REPRESENTATIVES
OF THE
COMMONWEALTH OF KENTUCKY

REGULAR SESSION, 1970

TUESDAY, JANUARY 6, 1970
FIRST LEGISLATIVE DAY

At a General Assembly of the Commonwealth of Kentucky, held at the Capitol in the City of Frankfort, and begun on January 6, 1970, the one hundred and seventy-eighth year of the Commonwealth, in accordance with the provisions of the Constitution, Mrs. Addie Stokley, Assistant Clerk of the 1968 House of Representatives, assumed the Chair and called the House to order.

Prayer by Reverend James A. Shepherd of the First United Methodist Church, Frankfort.

Assistant Clerk Stokley read the following certificate from the Secretary of State:

COMMONWEALTH OF KENTUCKY
FRANKLIN COUNTY

I, Elmer Begley, Secretary of State of the Commonwealth of Kentucky, do hereby certify that, according to the records in the office of the Secretary of State of the Commonwealth of Kentucky, and the best information obtainable, the attached is a true and correct list of the duly elected and qualified members of the General Assembly of the Commonwealth of Kentucky.

Given under my hand and seal of office this 5th day of January, 1970.

ELMER BEGLEY
Secretary Of State
Commonwealth Of Kentucky

MEMBERS OF THE HOUSE OF REPRESENTATIVES
1970 KENTUCKY GENERAL ASSEMBLY

1. Ballard, Carlisle, Hickman, Fulton. Ralph Graves, Democrat, Bardwell.
2. Graves. Lloyd Clapp, Democrat, Wingo.
3. McCracken. Julian M. Carroll, Democrat, Paducah.
4. McCracken. David Carter, Democrat, Paducah.
5. Calloway, Trigg. E. Guy Lovins, Democrat, Murray.
6. Marshall, Lyon, Caldwell. Richard H. Lewis, Democrat, Benton.
7. Union, Crittenden, Livingston. Joseph McBride, Democrat, Waverly.
8. Christian. John O. Hardin, III, Democrat, Hopkinsville.
9. Christian. James E. Bruce, Democrat, Hopkinsville.
10. Hopkins. Omar Parish, Jr., Democrat, Madisonville
11. Henderson. Gross C. Lindsay, Democrat, Henderson.
12. Webster, McLean. Joe Head, Democrat, Providence.
13. Daviess. Charles S. Wible, Democrat, Owensboro.
14. Daviess. Donald J. Blandford, Democrat, Philpot.
15. Muhlenburg. Billy R. "Bill" Paxton, Democrat, Central City.
16. Todd, Logan. Homer B. Dorris, Democrat, Russellville.
17. Butler, Ohio, Hancock. Theron Kessinger, Republican, Beaver Dam.
18. Breckinridge, Meade. Mrs. H. W. (Marjorie) Tobin, Democrat, Harned.
19. Grayson, Edmonson. Walter F. Davis, Republican, Brownsville.
20. Warren. George T. Massey, Jr., Democrat, Bowling Green.
21. Warren. *Edward G. (Ed) Brown, Democrat, Bowling Green.
22. Simpson, Allen. T. C. Simmons, Republican, Scottsville.
23. Barren. Walter A. Baker, Republican, Glasgow.
24. Hart, Larue. Ray Kenneth (R. K.) Keith, Republican, Hodgenville.
25. Hardin. Jon E. Rickert, Democrat, Elizabethtown.
26. Hardin. Joseph W. "Joe" Prather, Democrat, Vine Grove.
27. Monroe, Metcalfe. Wallace Bartley, Republican, Summer Shade.

* Given oath of office on January 12, 1970.

28. Green, Adair. O. A. "Cotton" Durham, Republican, Columbia.
29. Marion, Taylor. Herman W. Rattliff, Republican, Campbellsville.
30. Nelson, Anderson. Bernard Keene, Democrat, Bardstown.
31. Bullitt, Spencer. Leo Bleemel, Democrat, Mt. Washington.
32. Jefferson. E. Bruce Blythe, Jr., Republican, Louisville.
33. Jefferson. Peter Conn, Democrat, Louisville.
34. Jefferson. Wilson W. Wyatt, Jr., Democrat, Louisville.
35. Jefferson. Carl A. Nett, Democrat, Louisville.
36. Jefferson. Clarence R. "Dumps" Miller, Democrat, Louisville.
37. Jefferson, M. J. (Jerry) Kleier, Democrat, Louisville.
38. Jefferson. Dexter S. Wright, Republican, Louisville.
39. Jefferson. Tom Ray, Democrat, Louisville.
40. Jefferson. George T. Siemens, Democrat, Louisville.
41. Jefferson. Mrs. Mae Street Kidd, Democrat, Louisville.
42. Jefferson. **Hughes E. McGill, Democrat, Louisville.
43. Jefferson. Norbert Blume, Democrat, Louisville.
44. Jefferson. James Raymond "Jim" Yocom, Democrat, Louisville.
45. Jefferson. Mrs. Dorothy "Dottie" Priddy, Democrat, Louisville.
46. Jefferson. Robert F. Hughes, Democrat, Louisville.
47. Jefferson. Edward L. Holloway, Republican, Middletown.
48. Jefferson. Eugene P. Stuart, Republican, Prospect.
49. Washington, Mercer. James I. Osborne, Republican, Springfield.
50. Boyle, Garrard. P. Joe Clarke, Democrat, Danville.
51. Madison. Dwight Wells, Democrat, Richmond.
52. Woodford, Jessamine. James T. "Jim" Alexander, Democrat, Versailles.
53. Fayette. William G. Kenton, Democrat, Lexington.
54. Fayette. Bart N. Peak, Democrat, Lexington.
55. Fayette. David L. Van Horn, Democrat, Lexington.
56. Fayette. William H. McCann, Democrat, Lexington.
57. Franklin. William P. Curlin, Jr., Democrat, Frankfort.
58. Shelby, Henry. Ralph Mitchell, Democrat, Shelbyville.

**Given oath of office on January 20, 1970.

59. Oldham, Trimble, Carroll. W. J. "Jay" Louden, Democrat, Carrollton.
60. Boone, Gallatin. Dan J. Roberts, Democrat, Walton.
61. Owen, Grant, Pendleton. E. T. "Tommy" Reed, Democrat, Corinth.
62. Scott, Harrison. John Swinford, Democrat, Cynthiana.
63. Kenton. Carl J. Ruh, Democrat, Ft. Mitchell.
64. Kenton. Phillip E. King, Democrat, Covington.
65. Kenton. John J. Isler, Democrat, Covington.
66. Kenton. Carl Mershon, Democrat, Covington.
67. Campbell. James E. Murphy, Democrat, Newport.
68. Campbell. William (Bill) Donnermeyer, Democrat, Bellevue.
69. Campbell, Arthur L. Schmidt, Republican, Cold Springs.
70. Bracken, Mason. Austin Wenz, Democrat, Dover.
71. Robertson, Fleming, Rowan. Sherman R. Arnett, Democrat, Clearfield.
72. Bourbon, Nicholas. Brooks Hinkle, Democrat, Paris.
73. Clark, Powell. Glenn White, Democrat, Winchester.
74. Montgomery, Menifee, Bath. Mrs. Nell Guy McNamara, Democrat, Mt. Sterling.
75. Carter, Lewis. James A. "Jim" Davis, Republican, Grayson.
76. Greenup. W. Terry McBrayer, Democrat, Greenup.
77. Knott, Magoffin. Darvin Allen, Democrat, Royalton.
78. Lee, Wolfe, Breathitt. Russell Reynolds, Democrat, Jackson.
79. Jackson, Owsley, Estill. Lloyd McKinney, Republican, McKee.
80. Lincoln, Rockcastle. William Harold DeMarcus, Republican, Stanford.
81. Casey, Russell, Cumberland. Hershel Brown, Republican, Liberty.
82. Wayne, Clinton, McCreary. Archie Brown, Republican, Stearns.
83. Pulaski. Lavey Floyd, Republican, Pointer.
84. Whitley. Clifford Sharpe, Republican, Williamsburg.
85. Laurel. Gene Huff, Republican, London.
86. Knox. Howard West, Republican, Artemus.
87. Bell. Denver C. Knuckles, Republican, Middlesboro.
88. Harlan. Bert Ed Pollitte, Democrat, Harlan.

89. Harlan. Glenn R. Freeman, Democrat, Cumberland.
90. Clay, Leslie. John E. White, Republican, Manchester.
91. Letcher. Raymond Collins, Republican, Whitesburg.
92. Perry. Johnny M. Salyers, Democrat, Bulan.
93. Pike. Fon Deskins, Democrat, Elkhorn City.
94. Pike. Marrs Allen May, Democrat, Pikeville.
95. Floyd. W. J. Reynolds, Democrat, Allen.
96. Floyd. T. P. (Tim) Reynolds, Democrat, Beaver.
97. Johnson, Martin. L. T. Hardin, Republican, Inez.
98. Morgan, Elliott, Lawrence. Joe W. Haney, Democrat, West Liberty.
99. Boyd. Thomas E. Chapman, Democrat, Rush.
100. Boyd. Charles D. Wheeler, Republican, Ashland.

A contest suit in the 100th District was announced and filed.

The roll was called. All present except Representatives Bleemel, E. G. Brown, Huff, Keith, King and McGill.

Representative McBrayer moved that absent members be granted leave of absence. Agreed.

Representative McBrayer moved that the Certificates of Election be confirmed. Agreed.

Said representatives produced their certificates of election, appeared before the Presiding Officer and were administered their oaths of office by Judge C. Homer Neikirk of the Court of Appeals of Kentucky.

Representative Bruce moved the nomination of Julian M. Carroll as Speaker of the House of Representatives.

Representative McBrayer moved that the nominee be elected by acclamation. Agreed.

Representative Carroll was elected Speaker of the House of Representatives and the Clerk appointed a committee composed of Representatives McBrayer, Bruce, Roberts and Conn to escort the Speaker to the Chair.

The oath of office was administered by Judge C. Homer Neikirk of the Court of Appeals of Kentucky.

Speaker Carroll assumed the Chair.

Representative Conn moved the nomination of Norbert Blume as Speaker Pro Tempore of the House of Representatives. Agreed.

Representative McBrayer moved that the nominee be elected by acclamation. Agreed.

Representative Blume was elected Speaker Pro Tempore of the House of Representatives and the oath of office was administered by Judge C. Homer Neikirk of the Court of Appeals of Kentucky.

Representative McBrayer read the nominations for the following House Constitutional Officers:

Chief Clerk	John W. Greene
Assistant Clerk	Addie Stokley
Enrolling Clerk	Ruth Layson
Sergeant at Arms	Stuart Kelly
Chief Door Keeper	Herb Theobold
Cloakroom Keeper	Lawrence Watts
Janitor	Ray Murphy
Page	Susan Sisk
Page	Kendall Bailey
Page	Troy Dix
Page	Missy Evins

Representative McBrayer moved that the nominees be elected. Agreed.

The nominees for the House Constitutional Officers were elected and the oath of office was administered by Judge C. Homer Neikirk of the Court of Appeals of Kentucky.

Representative W. J. Reynolds announced that the Democratic Party in caucus assembled had elected the following Majority Party House leadership:

Floor Leader	W. Terry McBrayer
Caucus Chairman	W. J. Reynolds
Whip	Joseph Prather

Representative Schmidt announced that the Republican Party in caucus assembled had elected the following Minority Party House leadership:

Floor Leader	W. Harold DeMarcus
Caucus Chairman	Arthur L. Schmidt
Whip	Eugene P. Stuart

Introduction of Bills and Resolutions

HR 1, by Representative McBrayer: A RESOLUTION authorizing appointment of a committee of the House to wait upon the Senate and the Governor.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That a committee of this House be appointed by the Speaker to wait upon the Senate and notify that body that this House is now organized and ready to proceed to the transaction of business and that said committee shall, in conjunction with a like committee from the Senate, wait upon the Governor and inform him that the General Assembly is now organized and ready to receive any communications he may desire to deliver.

Representative McBrayer moved the adoption of **HR 1.** Agreed.

HR 2, by Representative McBrayer: A RESOLUTION extending an invitation to the pastors of Frankfort churches to open sessions of the House of Representatives with prayer.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Sergeant-at-Arms be directed to invite the pastors of the various churches to attend the meetings of this House and open the sessions thereof with prayer.

Representative McBrayer moved the adoption of **HR 2.** Agreed.

HR 3, by Representatives McBrayer and DeMarcus: A RESOLUTION adopting permanent rules to govern the 1970 House of Representatives.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the following rules are adopted to govern the House of Representatives during the 1970 and 1971 sessions of the General Assembly, superseding the rules under which the House of Representatives has operated.

SESSIONS OF THE HOUSE

Rule 1. Hours of Meeting. The House shall meet at 1:00 p.m. Eastern Standard Time, except on Monday when it shall meet at 3:00 p.m., Eastern Standard Time. The official time shall be governed by the clock over the main entrance to the House Chamber.

Rule 2. Quorum. A majority of the members elected to the House shall constitute a quorum. If a quorum is not present at the time fixed for a meeting of the House, five members may adjourn or recess from day to day or from time to time and fifteen members may order a call of the House and send for absent members.

Rule 3. Call of the House. Upon a call of the House, the Clerk shall call the roll, then call the absentees again. The doors of the House Chamber shall then be closed and the absentees not excused by the House may be sent for and arrested by the Sergeant-at-Arms and the House shall determine upon what conditions they shall be discharged from arrest. Members who voluntarily appear shall be immediately admitted to the floor of the House and their names entered upon the Journal as present, unless the House otherwise directs.

ORDER OF BUSINESS

Rule 4. Order of Business. The order of business shall be as follows:

1. Invocation.
2. Roll Call.
3. Reading and Approval of the Journal.

4. Introduction and Reading of New Bills and Resolutions Introduced by Title and Sponsor.
5. Report of Reference of Bills to Committees.
6. Report of Committees.
7. First Reading of Bills.
8. Second Reading of Bills.
9. Motions, Petitions, and Communications.
10. Orders of the Day.
11. Announcements.
12. Adjournment.

No more than thirty minutes shall be allotted to Motions, Petitions, and Communications.

Rule 5. Unfinished Business. Unfinished business which was being considered upon adjournment shall have precedence in the class of business to which it properly belongs upon the next succeeding legislative day.

MOTIONS

Rule 6. Reading of Motions. When a motion has been made and seconded, it shall be stated by the Speaker or, being in written form, it shall be read by the Clerk before debate, amendment or motion concerning it shall be in order.

Rule 7. Withdrawal of Motions. Every oral motion after it has been stated by the Speaker, and every written motion, bill, resolution or other paper, after it has been read by the Clerk, shall be the property and in the possession of the House, and shall not be withdrawn without consent of the House. Every written motion, report or measure may be committed or recommitted at the pleasure of the House.

Rule 8. Order of Questions. All questions, whether in Committee of the Whole or in the House, when not privileged questions, shall be propounded in the order in which they were moved, except that in filling blanks the smallest sum and the most remote date shall be put first.

Rule 9. Precedence of Motions. When a question is under consideration, no motion shall be in order except:

1. To call the House when there is no quorum present.

2. To fix the time to which the House shall adjourn.
3. To adjourn.
4. To take recess.
5. To lay on the table.
6. For the previous question.
7. To limit or extend limits of debate.
8. To postpone to a fixed time.
9. To lay on the Clerk's desk.
10. To refer or commit.
11. To amend.
12. To postpone indefinitely.

The above several motions shall have precedence in the order in which they are arranged and the first seven of them shall not be debatable.

A second motion to adjourn, to take a recess, to lay on the table, for the previous question, to limit or extend limits of debate, to postpone to a time certain, to lay on the Clerk's desk, to refer or commit or to postpone indefinitely shall not be in order on the same day, upon the same question, and at the same status unless other business intervenes; provided, however, that amendments may be made to the time to which it is proposed to adjourn, to take a recess or to postpone to a fixed time.

Rule 10. Motion to Adjourn. A motion to adjourn, to take a recess, or a motion to adjourn to a time certain, shall always be in order, except when a member is speaking, while a vote is being taken or when the Committee on Committees is reporting; subject, however, to the limitations set out in Rule 9. A motion to adjourn, or a motion to adjourn to a time certain, shall be taken by roll-call vote.

Rule 11. Motion to Table. The adoption of a motion to table, under these rules, defeats the subject matter under consideration. *The reconsideration of the motion to table shall require approval of a majority of the members elected.*

Rule 12. Previous Question. When the previous question has been ordered, a vote shall be taken immediately upon the pending measure and such pending amendments as are in order. The effect of the previous question shall be to put an end to all debate; to prevent the offering of additional amendments and to

bring the House to an immediate vote upon the measure and amendments aforesaid. The previous question may be ordered by a majority of the members elected. On the call of the roll, no member shall be allowed to speak more than three minutes to explain his vote and shall not speak at all if the question is not a debatable question. After the previous question has been ordered, and before the vote upon the main question, the opponents of the measure shall have ten minutes, and proponents of the measure shall have ten minutes.

Rule 13. Motion to Set the Limits of Debate. A motion to set a time limit for debate on a measure, in excess of that permitted under Rule 12, shall be in order unless the previous question shall have been ordered on the measure. The time limit set for debate under this rule shall be allotted by the Speaker evenly between the opponents of the measure and the proponents of the measure. Adoption of a motion under this rule does not prevent the offering of additional amendments.

Rule 14. Motion to Reconsider. A motion to reconsider a vote shall not be in order unless made by a member who voted upon the prevailing side of the question; nor shall such motion be in order unless made within two legislative days in which the House is in session next after the day the vote was taken; however, the motion to reconsider when coupled with the additional motion to lay that motion upon the table may be made by any member.

Rule 15. Motion to Lay on Clerk's Desk. The effect of the adoption of a motion to lay on the Clerk's desk under these rules is to place in charge of the Clerk the pending question and everything adhering to it. A motion laid on the Clerk's desk may be taken from the desk and proceeded with at any time in the same order as when laid on the Clerk's desk.

Rule 16. Motion to Strike Out Enacting Clause. A motion to amend by striking out the enacting words of a bill or resolution shall have precedence over a motion to amend; and, if adopted, shall have the same effect as though the bill or resolution were regularly voted upon and rejected.

Rule 17. Motion to Separate Part of a Measure. A motion to commit, recommit, or postpone a part of a measure so as to

separate that part of the measure from the remainder shall not be in order.

Rule 18. Postponement of Measure. When a measure shall have been postponed indefinitely it shall not be in order again during the session.

Rule 19. Reading of Pending Papers. Any pending bill, resolution, motion or report shall be read by the Clerk upon the demand of any member, but it shall not again be read on the same day unless so ordered by the House.

Rule 20. Nominations. In all elections a previous nomination shall be made.

MEMBERS

Rule 21. Attendance of Members. No member shall absent himself from a session of the House without leave from the House.

Rule 22. Decorum of Members. No member shall designate another member by name.

Rule 23. Call to Order. If any member, in speech or otherwise, transgress the rules of order or decorum, he shall immediately be called to order by the Chair and shall take his seat. The Clerk shall reduce the objectionable words to writing and read them to the House. After hearing a short explanation from the member called to order, or upon the withdrawal of the objectionable language, the Speaker may permit the member to proceed, or may compel silence upon him until the matter is disposed of. The ruling of the Chair shall be subject to an appeal to the House. A member offending the House shall be liable to censure.

Rule 24. Debate. No member may speak more than once to the same subject until all members desiring to be heard have spoken, but nothing in this rule shall do away with the previous question if then in effect, nor permit debate on an undebatable motion.

No member shall speak more than thirty minutes in the aggregate on any question or measure, at the end of which period, or any portion thereof, the floor shall be returned to the Speaker.

Rule 25. Members Shall Vote at Seats. A member shall vote only when at his seat or visibly approaching it.

OFFICERS AND EMPLOYEES

Rule 26. Duties of Speaker. The Speaker shall take the Chair every day precisely at the hour fixed for the meeting of the House, and on the appearance of a quorum, shall cause the Journal of the preceding day to be read, unless the reading of the same is dispensed with by the House.

The Speaker shall preserve decorum and order and, in the event of any disorder in the gallery or in the House Chamber, may cause the same to be cleared of any persons creating disturbances or disorders.

All writs, warrants, subpoenas or other processes shall be signed by the officer who may be presiding over the House when the paper is issued; and his signature shall be attested by the Clerk, when ordered by a majority of the members.

Rule 27. Appeal from Decision of Chair. The Speaker while presiding may speak to points of order in preference to members. He shall decide points of order and manner of procedure. If two or more members arise from their respective seats and address the Chair, the Speaker shall determine who was first and recognize him.

Any decision made by the Speaker shall be subject to appeal to the House. Every such appeal shall be in writing and signed by at least two members. During the pendency of an appeal to the House from a decision of the Chair, the Speaker shall vacate the Chair and call the Speaker Pro Tempore to preside. When the Speaker Pro Tempore is presiding on an appeal to the House from a decision of the Chair, no motion or business shall be in order except the motion on appeal from the decision of the Chair, and that motion shall not be debatable.

Rule 28. Speaker Pro Tempore. The House shall elect a Speaker Pro Tempore. The Speaker Pro Tempore shall perform the duties of the Speaker when the Speaker is absent from the House or when empowered by the Speaker to perform the duties of the Chair.

Rule 29. Duties of Clerk. The Clerk shall have charge of all the clerical business of the House. He shall have charge of the Clerk's section of the House Chamber and shall see that no one is permitted therein except himself, those assisting him, and members.

The Clerk shall read to the House papers ordered to be read; call the roll and note and report the absentees when a call of the House is ordered; call the roll and note the answers of members when a question is taken by yeas and nays; assist the Speaker in taking the count when any vote of the House is taken; notify committees of their appointment and business referred to them; attest all writs, warrants and subpoenas issued by order of the House; keep a Calendar showing such bills as are entitled to their second reading each day, distinguishing between House and Senate bills; superintend the engrossing and enrolling bills; certify to the passage of all bills and to the adoption of all joint and concurrent resolutions by the General Assembly; and make all reports to the Senate, unless otherwise ordered.

Rule 30. Journal of Proceedings. The Clerk shall cause to be kept the Journal of the proceedings of the House. The Clerk shall note upon the Journal all questions of order, together with the disposition of same, and the dates upon which all bills and resolutions were sent to committee and returned to the House. The House may correct errors in the Journal the day the Journal containing errors is presented to the House. No record which is in the hands of the Clerk and is required by law to be entered upon the Journal of the House shall be copied by any person until same shall have been entered upon the Journal and said Journal shall have been approved.

Half an hour before the time fixed for the meeting of the House each day, the Clerk or one of his assistants shall be present at the Clerk's desk with the Journal of the preceding session for inspection of any member of the House.

The Clerk shall transmit the Journal for each day as soon as it has been approved by the House to the Legislative Research Commission, which shall deliver it to the public printer. The Commission staff shall proofread and index the Journal upon return from the printer and make necessary typographical corrections.

Rule 31. Custody of Papers. The Clerk shall have custody of all records, papers and bills of the House and shall not allow them to be taken out of his possession without the leave of the House, unless to be delivered to the chairman of a committee to which they have been referred, or to the Legislative Research Commission, as specified in these Rules, and then he shall take a proper receipt therefor. He shall endorse on bills and papers brief notes of proceedings had thereon by the House and preserve the same in convenient files for reference.

Rule 32. Accounts of Expenditures. The Legislative Research Commission shall keep the accounts for pay and mileage of members, officers and attaches, and for printing and other contingent expenses of the House and Senate.

Rule 33. Printing of House Papers. The Legislative Research Commission shall have supervision and charge of all printing done for the House as certified by the Clerk and the public printer shall print only such documents and other matter as the Legislative Research Commission authorizes. The clerk shall report to the Speaker every failure to execute printing work correctly and promptly.

Rule 34. Duties of the Sergeant-at-Arms. It shall be the duty of the Sergeant-at-Arms and the Doorkeeper to exclude or remove all persons not entitled to the floor of the House. Thirty minutes before convening of the House each day the Sergeant-at-Arms shall announce in a loud, distinct voice: "All persons not entitled to the floor of the House under the rules thereof will now vacate the House Chamber." He shall then compel all persons who are not entitled to remain therein to leave the House Chambers and shall prohibit their entry until thirty minutes after the House has adjourned.

Rule 35. Conduct of Employees. All the constitutional employees of the House, shall, one hour before the meeting of the House each day, report to the Clerk, who shall report to the Committee on Committees whether or not all of said employees are on duty. The Committee on Committees, whenever it deems it necessary, shall report to the House any dereliction of duty.

Rule 36. Other Employees. All other professional, clerical and other services required by the House or its committees shall

be furnished by the Legislative Research Commission, upon the request of the Committee on Committees. Employees performing such services shall be under the supervision of the Committee on Committees.

No officer or employee of the House shall receive any fee, tip or compensation from any member and violation of this rule shall be ground for dismissal.

COMMITTEES

Rule 37. Commititee on Committees. There shall be a Committee on Committees composed of the Speaker of the House, the Speaker Pro Tempore, the Majority Caucus Chairman, the Majority Floor Leader of the House, and the Majority Party Whip. [The Majority Party Whip shall be chosen from the membership of the Legislative Audit Committee.] The Speaker shall be Chairman of the Committee and the majority of said Committee shall have full power to act on all matters referred to said Committee, either by these rules or by the action of the House. All bills and resolutions, either joint or concurrent, shall upon their introduction, be automatically referred to the Committee on Committees who shall refer same to the proper Committee not later than the second day in which the House is in session after the date of introduction.

The Committee on Committees shall have supervision and control over all employees of the House, whether elected by the House or provided by the Legislative Research Commission, and the Committee on Committees shall see that they perform all of their duties to the House and the members thereof. The Committee on Committees is empowered to discharge any or all said employees and officers except the constitutional officers of the House. The Committee on Committees shall appoint the members of all standing and special committees and shall fill any vacancies thereon in accordance with Rule 39.

Rule 38. Standing Committees. The following shall be the standing committees of the House.

1. Agriculture and Natural Resources
2. Appropriations and Revenue
3. Banking and Insurance

4. Business Organizations and Professions
5. Cities
6. Counties and Special Districts
7. Education
8. Elections and Constitutional Amendments
9. Health and Welfare
10. Highways and Traffic Safety
11. Judiciary
12. Labor and Industry
13. Public Utilities and Transportation
14. State Government

The standing committees of the House shall operate for the duration of a regular session and throughout any special session. On sine die adjournment of the General Assembly, the standing committees of the House shall be constituted subcommittees of the Legislative Research Commission pursuant to KRS Chapter 7.

Rule 39. Appointment of Committees. The Committee on Committees shall appoint the Chairman, Vice Chairman and the members of all standing and special committees and shall fill any vacancies thereon. A member of the Committee on Committees shall not serve as chairman of a standing committee. The Committee on Committees shall select members of each standing and special committee in proportion to the representation of each political party in the House. The Vice Chairman shall act in the absence of the Chairman. The Chairman of any committee may appoint subcommittees to conduct hearings or study any matters which have been referred to the committee.

Before the Committee on Committees shall appoint the members of standing and special committees the number of members on the committee to be announced to the House. At the same time, the Committee on Committees shall announce the number of members of the committee to be appointed from the majority party and the number of members to be appointed from the minority party. The majority party membership of the Rules Committee shall select and appoint the majority party members of each committee and the minority party membership of the Rules Committee shall select and appoint the minority party members of each committee.

The Committee on Committees shall not appoint more than seventeen (17) members to any one standing committee. Every member of the House shall be appointed to at least two standing committees and no member shall be appointed to more than three standing committees.

In appointing the membership of standing committees, the Committee on Committees shall consider the predominant business interests or occupation of each member so that the private interests of a majority of a committee's members do not correspond to the jurisdiction of the standing committee.

Rule 40. Jurisdiction of Standing Committees. The Committee on Committees shall refer each bill to the Committee with control over that subject matter. All bills and resolutions on the same subject matter shall be referred to the same committee. The general jurisdiction of the several standing committees shall be:

1. *Agriculture and Natural Resources:* matters pertaining to crop, livestock, poultry and their marketing, disease control and warehousing; tobacco; stockyards; agricultural cooperatives and marketing associations; agriculture weights and measures; veterinarians; forestry; mining; fish and wildlife resources; soil and water conservation; flood control and water usage; drainage and irrigation; geology and water resources; waterways and dams; oil, gas and salt water wells; state and national parks; the state fair; county fairs.

2. *Appropriations and Revenue:* matters pertaining to the executive budget and other appropriations of state monies; the levying of state and local taxes, including school taxes; property tax rates and assessments; the state debt; revenue bond projects; veterans bonus; claims upon the treasury; accounting of state funds by local officers; audits for state purposes; budget and financial administration; payment, collection and refund of taxes.

3. *Banking and Insurance:* matters pertaining to banking, banks and trust companies; petty loan companies; building and loan associations; credit unions; investment companies; industrial loan corporations; securities; the blue sky law; mortgage guaranty insurance; assessment and cooperative insurance; fraternal benefit societies; hospital service corporations; burial associations;

medical and dental service corporations; life, accident, indemnity and other forms of insurance; stock and mutual insurance companies; banking and insurance aspects of the uniform commercial code; interest and usury; pawnbrokers; private credit; consumer credit; sale of checks; installment sales contracts; legal investments; principal and income.

4. *Business Organizations and Professions:* matters pertaining to professional licensing not assigned specifically to another committee; chambers of commerce; business development corporations; racing; prize fighting and wrestling; places of entertainment; laundry and dry cleaning; alcoholic beverage control; private corporations; cooperative corporations and marketing associations; religious, charitable and educational societies; nonprofit corporations; professional service corporations; cemeteries; barbers and cosmetologists; professional engineers and land surveyors; architects; real estate brokers and salesmen; public accountants; watchmakers; detection of deception examiners; auctioneers; business schools; the business regulation aspects of the uniform commercial code; warehouses and warehousemen; partnerships; trade practices.

5. *Cities:* matters pertaining to the officers, organization, government and financing of city government; special purpose assessment and taxing districts within a city; incorporation and classification of cities; city revenue bond projects; the imposition of duties and costs on cities; city taxes and licenses; city indebtedness; compensation of city officers; metropolitan sewer districts; interlocal government cooperation; housing projects; urban renewal and redevelopment; city streets and sidewalks; sewers; annexation of territory; consolidation of local government services; forms of city government; city civil service; city finances and revenue, public works; police and fire departments and their retirement systems; municipal utilities and waterworks; parks and playgrounds; planning and zoning; acquisition of waterworks and water districts by cities; financing of municipal improvements; urban service districts; police court and city attorney; city libraries.

6. *Counties and Special Districts:* matters pertaining to the officers, organization, government and financing of county governments; county imposed taxes and licenses; county and special district debt; the imposition of duties and costs on counties;

special districts not assigned to another committee; the powers, duties and composition of fiscal court; compensation of county officers and employees; the offices of county judge, magistrates, county attorney, sheriff, constable, county police jailer, coroner, surveyor, county clerk, county employees civil service and retirement; planning and zoning; interlocal cooperation and consolidation of services; county roads; public road districts; water districts; fire protection districts; drainage districts and local flood control and water usage; issuance of bonds for county and special district projects; metropolitan sewer and sanitation districts; local air pollution control districts; county and county law libraries; library districts.

7. *Education:* matters pertaining to public primary, secondary and higher education; the state board of education; the state department of education; the powers and duties of local boards of education; conduct of schools; attendance; state support of education; the operation of school districts; teachers' qualifications and tenure; the school curriculum; teachers' retirement; school employees; pupil transportation; school property and buildings; vocational education and rehabilitation; state universities and colleges; community colleges; municipal universities and colleges; regional education; education of the physically handicapped; educational television.

8. *Election and Constitutional Amendments:* matters pertaining to the proposing of constitutional amendments and the calling of a constitutional convention; ratification of amendments to the United States Constitution; legislative and congressional districts; the election of officers to state, local and school board positions; election commissioners, officers and precincts; qualifications, registration and purgation of voters; conduct of regular elections; primary elections; presidential and congressional elections; special elections to fill vacancies; contest of elections; corrupt practices and election financing; election offenses and prosecutions; voting machines; absent ballots.

9. *Health and Welfare:* matters pertaining to health and welfare in cities; fire prevention and protection; support of dependents; probation and parole; garbage and refuse disposal; public assistance; corrections; penitentiaries; child welfare; adoptions; mothers aid and assistance to children; children's homes;

incompetents; poor persons and poor houses; confederate pensions; aid to needy blind; commitment and care of children; mental health; health, medical and dental scholarships; local health units and officers; vital statistics; communicable diseases; tuberculosis hospitals; hospitals, clinics and personal care homes; foods, drugs and poisons; hotel, restaurants and trailer park regulations; sanitation plants; sanitation districts; frozen food locker plants; alcoholism; water pollution; air pollution; physicians, osteopaths and podiatrists; chiropractors; dentist and dental specialists; registered nurses and practical nurses; pharmacists; embalmers and funeral directors; clinical psychologists; optometrists, opthalmic dispensers; physical therapists.

10. *Highways and Traffic Safety:* matters pertaining to the construction and maintenance of the state highway system; the department of highways; state aid for local roads and streets; the state police; the federal highway safety law; turnpike authority; state and federal highways; limited-access facilities; use of road bond monies; billboards; junkyards; highway beautification; bridges, tunnels and ferries; traffic regulations; vehicle equipment and storage; driver training schools.

11. *Judiciary:* matters pertaining to the Court of Appeals, circuit courts, county and probate courts, quarterly courts, justices of the peace courts, and police courts; jurisdiction, rules, terms, judges, commissioners, selection, districts, qualifications, compensation and retirement; clerk of courts; juries; attorneys; commissioners and receivers; court reporters; contracts; debtor-creditor relations; ownership and conveyance of property; administration of trusts and estates of persons under disability; descent, wills and administration of decedents' estates; domestic relations; juvenile courts and support of dependents; statutory actions and limitations; eminent domain; arbitration; summary proceedings; declaratory judgments; habeas corpus; witnesses; evidence; legal notices; crimes and punishments; construction of statutes; civil and criminal procedure; civil rights.

12. *Labor and Industry:* matters pertaining to commerce not specifically assigned to another committee; industrial financing and development; labor unions; collective bargaining; liquefied petroleum gas and other flammable liquids; hotels; electricians; plumbers and plumbing; wages and hours; garnish-

ments; safety and health of employees; child labor; employment agencies; apprenticeship; unemployment compensation; workmen's compensation; consumer protection; industrial weights and measures.

13. *Public Uilities and Transportation:* matters pertaining to privately owned public utilities; rates, permits, certification of convenience and necessity; water district rates; utilities in cities; public utility cooperatives; airports and aviation; boats and boating; licensing of motor vehicles, operators and trailers; financial responsibility law; nonresident motorists; motor vehicle sales; railroad rates, service, and operating regulations; telephone companies and cooperatives; electric and gas utilities and cooperatives; oil and gas transmission companies; motor carriers.

14. *State Government:* matters pertaining to the sovereignty and jurisdiction of the Commonwealth; the general assembly, its committees, officers and service agencies; the governor; the lieutenant governor; intergovernmental cooperation; relations with the federal government; administrative organization; administrative regulations; statutory administrative agencies; department of law; secretary of state; state personnel; state retirement systems; military affairs and civil defense; public property and public printing; public officers, their terms, appointments, fees, compensation, removal, oaths and bonds; public information; state and regional planning; the arts; the libraries; archives and records; public corporations; Commonwealth attorney; circuit clerk.

Rule 41. Rules Committee. There shall be a Rules Committee composed of the Speaker of the House, the Speaker Pro Tempore, the Majority Floor Leader, the Majority Caucus Chairman, the Majority Party Whip, the Minority Floor Leader, the Minority Caucus Chairman, [and] the Minority Party Whip, *and not less than five nor more than seven members appointed by the Committee on Committees.* All bills and resolutions having been reported out of the committee to which referred and having received their second reading shall be referred to the Rules Committee. *The Rules Committee may refer any bill or resolution before it back to a standing committee. Provided, however, that such recommitment shall be accompanied by an explanation of the reason therefor, and that no bill or resolution*

shall be referred back by the Rules Committee on more than one occasion. No measure shall be posted in the Orders of the Day for final passage except by order of the Rules Committee unless otherwise ordered posted for the next succeeding legislative day by a majority of the members voting. The Rules Committee shall arrange the Orders of the Day so that all measures shall appear thereon for the consideration of the House, but the Rules Committee may not place in the Orders of the Day any bill or other measure in the possession of a standing or special committee of the House. The Rules Committee, prior to each day's session, shall post a notice in a regular place in the House Chamber listing the bills to be considered that day in the Orders of the Day. Should the House not complete any day's Orders of the Day, the bills and resolutions remaining unconsidered shall go to the top of the Orders of the Day on the next day that Orders of the Day are considered.

The Speaker of the House shall act as Chairman of the Rules Committee. The Majority Floor Leader of the House shall act for the Rules Committee in calling from the Orders of the Day any bills or resolutions and shall be recognized by the Speaker for said purpose during all times that the Rules Committee is in charge of posting the Orders of the Day. The Speaker Pro Tempore shall act as chairman in the absence of the Speaker.

Rule 42. Enrollment Committee. The Committee on Committees shall appoint an Enrollment Committee of not more than seven members. The Enrollment Committee shall be responsible for the engrossment and enrollment of bills and resolutions under the Rules of this House.

Rule 43. Committee on Conference. When a House bill has been amended in the Senate and the House refuses to concur in said amendment, or when a Senate bill has been amended in the House and the Senate refuses to concur in said amendment and when neither will recede from such action, the Committee on Committees shall appoint a Committee on Conference to meet a like committee from the Senate. The Committee on Conference shall confer with the Senate Committee and report back to the House within a reasonable time, in the same manner as reports are made for House bills. The conference report shall be voted

upon, and, if adopted the bill shall immediately be put upon its final passage.

Rule 44. Meetings of Committees. No committee except the Committee on Committees, the Committee on Enrollment and a Committee on Conference between the House and Senate shall sit while the House is in session, unless by consent of the House. The Committee on Committees and Committee on Enrollment may report at any time except during roll call or while a vote is being taken.

The Committee on Committees, in conference with committee chairmen, shall schedule a definite time and place for the regular weekly meetings of each committee, such schedule to be posted in the House Chamber and published in the Legislative Record. A committee shall meet at the regular weekly scheduled time and place so long as business is pending before the committee. Nothing herein shall prevent the Chairman or a majority of any committee from calling a special meeting in addition to those regularly scheduled.

The Chairman shall keep a record of the attendance of members at meetings, which record shall be filed with the Clerk.

The Director of the Legislative Research Commission, under the direction of the Committee on Committees, shall assign a secretary to each committee and provide any professional, clerical or other employees required by any committee.

The Committee on Committees shall meet on call of the Speaker or on call of a majority of the members of the Committee on Committees.

Rule 45. Committee Reports. *No bill or resolution shall be considered by the House except on report of committee.* [Every committee shall report the disposition of every bill and resolution referred to it as promptly as possible.] Upon the call of standing committees, the Clerk or the Chairman or ranking member of the committee may report the bill in the following manner:

"With the expression of opinion that the same should pass,"

or

"With the expression of opinion that the same should pass, with the committee amendment attached thereto," or

"With the expression of opinion that the same should pass, with the committee substitute attached thereto," or

"With the expression of opinion that the same should not pass," or

"Without expression of opinion."

Rule 46. Majority and Minority Reports. It shall require a majority of the committee membership to report a bill. Those members of the committee voting to report a bill must sign the committee report and the committee report shall only be signed in the committee room and while the committee is in session.

A committee report may be accompanied by a minority report, signed by those members who have dissented from the committee's report, and it shall be in order to move the adoption of the minority report as a substitute for the committee's report when the committee offers its report. It shall require a majority of the members elected to adopt the minority report. The Committee's report shall always be read before the minority report is read.

Rule 47. Failure to Report. Whenever a committee fails or refuses to report within a reasonable time a bill submitted to it, *any member may by filing with the Clerk a written request signed by twenty-five or more members, call the same up for consideration on the next succeeding legislative day after the filing of said request. If a majority of the members elected to the House concur therein, the bill shall be considered as though it had been regularly reported.* [the same may be called up by any member and considered as if it had been regularly reported if a majority of the members elected to the House concur therein.]

Rule 48. Procedure in Committee. The rules of procedure in the House shall be observed in committee insofar as the same are applicable. *The committee chairman, or the committee by majority vote in a regularly called meeting, shall post at least one legislative day prior to their consideration the bills and resolutions to be considered by the committee at its next meeting and*

no measures shall be considered except those posted. A list of the measures to be considered shall be filed with the Clerk at least one legislative day prior to the meeting.

BILLS AND RESOLUTIONS

Rule 49. Form of Bills. All bills shall be typewritten, with one original and four distinctly legible copies. The original shall be the official bill, and shall be retained by the Clerk for the use of the House until engrossed and sent to the Senate. One copy shall be used by committees; one copy shall be for the use of the press and shall be given to a person designated by the press club; and two copies shall be given to the Legislative Research Commission. Each copy shall be backed with a protective cover, as provided for this purpose by the Legislative Research Commission. The title of the bill, or a portion thereof, and the signature of the member introducing the bill shall be placed on each cover.

In all bills introduced, which seek to amend existing sections of the Kentucky Revised Statutes, any new matter contained therein shall be underscored, and when printed the matter so underscored shall be printed in italics; and when an amendment is made by the omission or elimination of matter in an existing law, the author shall indicate such omission by placing the material proposed to be eliminated in brackets, and the printer shall insert such brackets on the printed copy. The Committee on Committees shall refer to the Legislative Research Commission any bills not conforming with this format for revision as to form. The Enrolling Clerk in enrolling a bill which contains deleted material appearing in brackets shall strike over such deleted matter.

Rule 50. Introduction of Bills. Bills and resolutions may be introduced by filing them in the Clerk's office at any time that his office is open. Bills and resolutions introduced by filing them in the Clerk's office after the House has concluded Item 4, in Rule 4, Order of Business, shall be considered as having been introduced the next succeeding legislative day. The Clerk shall number bills in the order received, record their introduction, and transmit a copy immediately to the Committee on Committees for reference to committee.

Rule 51. Reference of Bills. The Committee on Committees shall refer all bills to the proper standing committee not later than the second day in which the House is in session after the date of introduction. When a House bill has been amended in the Senate and has been returned to the House for concurrence in the amendment, it may be referred to a committee in the same manner as original bills are referred. Bills originating in and passed by the Senate when reported to the House shall be referred to the Committee on Committees and shall take the same course as other bills.

Rule 52. Printing of Bills. Upon receipt of a bill, the Legislative Research Commission shall examine the form of the bill to ensure that it is free from errors of form or typography *and has been assigned the proper KRS section or chapter numbers.* If a formal change is necessary the Commission shall request the sponsor of the bill to sign a form approving the specified changes. If a bill is found to be correct, or corrections have been approved, the Commission shall authorize its printing.

The Legislative Research Commission shall have printed at least two hundred copies of each bill or resolution carrying the force and effect of law introduced in the House and of each bill or resolution carrying the force and effect of law acted on by the Senate and reported to the House. Bills shall be printed in the order in which they are introduced and shall be distributed to members immediately upon receipt from the printer.

Rule 53. Reading of Bills. If a bill be reported with the expression of opinion that it should not pass, or without expression of opinion, a vote may then be taken on whether it shall be read at length and be placed on the Calendar, if a majority of the members elected to the House shall concur therein. When reported favorably by the committee, the bill shall then be given its first reading at length and shall be placed by the Clerk upon the Calendar to be kept by him, and shall then be entitled to its second reading the next succeeding legislative day.

Every bill shall be read at length on three different legislative days; but the second and third readings thereof at length may be dispensed with by a majority of all the members elected to the House and the bill read by its title.

Rule 54. Calendar. The Clerk shall keep a Calendar for each legislative day of the session showing the bills entitled to a second reading upon that day and shall post conspicuously the number of all bills recommended for said Calendar by the standing committees and the number of all bills placed in said Calendar by the Committee of the Whole House.

Rule 55. Orders of the Day. When a bill has had its second reading it shall be placed in the Orders of the Day, or be recommitted, and when next reached in the House it shall be ready for recommitment, or to be read a third time and placed upon its passage, and the Speaker shall so announce to the House.

A bill may be recommitted or amended at any time before its passage. Bills shall be placed in the Orders of the Day in the order in which they have been given their second reading, and shall be taken therefrom in accordance with Rule 41. When a House bill is in the Orders of the Day, it shall be in order on motion of the author to substitute for it an identical Senate bill which is in the Calendar of the House.

No bill shall be taken from the Orders of the Day unless it shall have been printed and previously distributed to members.

Rule 56. Final Passage. When a House bill has been amended in the Senate and the House has concurred in the amendment, the bill as amended shall immediately be placed upon its passage.

Rule 57. Amendments to Bills. All amendments offered shall be on sheets with a proper heading printed in black, furnished by the Clerk, and shall bear the signature of the members offering the same. All amendments shall give the proper page and line of the printed bill. Three copies of each amendment shall be introduced and the Clerk shall forward one copy to the Legislative Research Commission. No amendment shall be in order that is not germane to the matter under consideration *and unless it shall have been printed and previously distributed by the Clerk to members at least one legislative day prior to consideration of the bill or resolution;* and the Speaker, when the question is raised, shall rule as to the admissibility of the proposed amendment, subject to appeal to the House.

Rule 58. Engrossment of Bills. Every House bill and joint resolution, together with the amendments thereto, which has been passed by the House and not subject to further amendment or motion, shall be engrossed by the Clerk and so certified by him endorsing thereon the day of passage or adoption. The bill shall be delivered to the Senate in open session by the Clerk or someone designated by him, and Senate concurrence asked therein. A like procedure shall be observed toward Senate bills.

When engrossing a bill, the Clerk may incorporate amendments by means of typing only. When an amendment strikes out any part of the original it shall be indicated in the engrossed copy by one parallel line over the part to be stricken out, in such a way as not to render illegible the original words.

Rule 59. Enrollment of Bills. All House bills and resolutions which have passed both the Senate and the House shall be delivered by the House Clerk to the Enrolling Clerk, taking a receipt therefor, in the order in which passed. The House Clerk shall keep the number and title of all bills and joint and concurrent resolutions carrying the force and effect of law, passed by the House of Representatives and the Senate in a suitable record book attesting the fact and date of passage.

In the event a bill which originates in the House is amended by the Senate and the House concurs in the amendments proposed and adopted by the Senate, the Clerk of the House shall engross said amendments in the original copy of the House bill, attesting the same, before delivering the bill to the Enrolling Clerk of the House. The Enrolling Clerk shall then cause the original bill as attested by the Chief Clerk and the safety copy of the bill as delivered from the Senate to conform to each other by typing in indelible typewriter ink or by writing in red ink the amendments engrossed in the original bill in the safety copy. In cases of extreme emergency and during the last three days prior to sine die adjournment, where no correct printed copy is available, the Enrolling Clerk may enroll such bill or resolution by typing the same on safety paper or by enrolling the same in longhand.

The original bill or resolution and a printed copy upon safety paper in the exact form as finally passed shall be certified

to by the Enrolling Clerk and delivered to the Committee on Enrollment. The Committee on Enrollment and the Enrolling Clerk shall jointly compare the original bill with the enrolled copy, and if the enrollment is ascertained to be correctly done, the Committee shall report the same to the House. If any bill or resolution is found not correctly enrolled, it shall be returned to the Enrolling Clerk to be properly enrolled and delivered to the Committee on Enrollment as is first provided herein.

Rule 60. Signing of Bills. The Enrolling Clerk of the House shall deliver the original and enrolled copies of House bills and resolutions signed by the Speaker to the Chairman of the Enrollment Committee of the Senate for presentation to the President of the Senate for his signature. When signed by the President of the Senate, the enrolled bill or resolution and the original copy thereof shall be returned by the Enrolling Clerk to the Clerk of the House who shall present the enrolled bill or resolution to the Governor for his approval and take his receipt for same.

Rule 61. Resolutions. Resolutions having the force and effect of law shall be treated and considered as bills in all respects under these rules.

VOTING

Rule 62. Roll Call. Any member, with a second, may demand a roll call on any matter pending before the House. The names of members shall be arranged alphabetically when taking a yea and nay vote.

Any time these rules require a roll-call vote, or a yea and a nay vote of the members, such vote may be taken by either a voice roll call or the electrical voting system, as ordered by the Speaker.

The Speaker, before each roll-call vote is taken, shall instruct the Clerk to sound the warning chimes installed in that part of the Capitol assigned to the use of the House. No roll-call vote shall be started until two minutes after the warning chimes have been sounded.

Rule 63. Electrical Voting System. When the House is ready to vote upon any question requiring a roll call, and the vote is to be taken by the electrical roll call system, the Speaker shall announce:

"The question is on the passage of (designating the matter to be voted upon). All in favor of such question shall vote 'yea,' and all opposed shall vote 'nay.' The House roll is now open for voting."

The Speaker shall recognize any member who rises for the purpose of explaining his vote. No member shall be allowed to speak more than three minutes to explain his vote, and shall not speak at all if the question is not a debatable question.

When sufficient time has been allowed the members to vote and to explain their vote, the Speaker shall announce: "Have all voted?" "Does anyone desire to change his vote?" And after sufficient pause shall lock the roll call system and instruct the clerk to record the vote. It shall be the responsibility of each member to determine the accuracy of his individual vote as registered opposite his name on the electrical roll call board and advise the Speaker of any desired change before the roll call system is locked.

The Clerk shall immediately start the recording equipment, and when completely recorded, shall present the result to the Speaker who shall announce same to the House. The Clerk shall enter upon the Journal the result in the manner provided by the rules of the House.

At the same time the vote is recorded by the electric recording equipment an original and five duplicate roll call sheets shall be made showing the vote, two of which duplicates shall be for use of the press, and one copy shall be furnished to the Legislative Research Commission.

Rule 64. Voting for Others Prohibited. No member shall vote for another member, nor shall any person not a member cast a vote for a member. In addition to such penalties as may be prescribed by law, any member who shall vote or attempt to vote for another member may be punished in such manner as the House may determine. If a person not a member shall vote or attempt to vote for any member he shall be barred from the

floor of the House for the remainder of the session and may be further punished in such manner as the House may deem proper, in addition to such punishment as may be prescribed by law.

Rule 65. Pairing. All pairs announced in the House shall be entered on the Journal.

Rule 66. Adjournment Extended During Roll Call. When the roll is being called in taking a yea and nay vote, and the hour of an adjournment arrives, the same shall stand extended until after said yea and nay vote has been completed and the result announced.

PRIVILEGE OF THE FLOOR

Rule 67. Persons Entitled to the Floor. No person shall be permitted upon the floor of the House when in session and one half an hour before and after the House is in session except the present members of the General Assembly and all officers and employees of the General Assembly. Bona fide newspaper correspondents, designated in writing by the daily newspapers or press service they represent, shall be admitted to the floor when recommended by the Committee on Committees and shall be governed by the rules of the House and assigned by the Committee on Committees to a press section specifically set aside for them.

A special section of the gallery shall be reserved for the families and guests of members, who shall be admitted upon presentation of an identification card. Other persons shall be admitted to that part of the galleries not reserved for members' families. Members may submit the names of guests to the Clerk, who shall read the names to the House. Members shall not introduce guests from the floor.

Rule 68. Lobbying in the House Chambers. No person shall engage in lobbying for or against any measure while the House is in session, or in recess, in any of the corridors or passages or in any of the rooms in that part of the Capitol assigned to the use of the House, and no registered lobbyist shall enter that part of the Capitol while the House is in session. This rule shall not be construed to prohibit the use of the corridors or passages in going to and from the House galleries by any person.

Rule 69. Restrictions. No article, booklet, pamphlet or any other printed matter shall be placed upon the desk of any member unless said article, booklet, pamphlet or other printed matter contains the signature of the author, or the party interested in the distribution thereof is clearly identified. The Sergeant-at-Arms shall be charged with the duty of enforcing this rule.

RULES

Rule 70. Mason's Manual. In the absence of a specific rule of the House, *Mason's Manual of Legislative Procedure* shall govern the proceedings, except that in all cases where general parliamentary law provides for a rule of two-thirds, it shall mean in this House a majority of all members elected thereto.

Rule 71. Change of Rules. The rules of the House, after their adoption shall not be altered, changed, amended, suspended or interrupted, unless the same be done by a majority of the members elected to the House. Whenever a rule is suspended, no measure shall be considered under suspension except the measure or measures in whose favor the suspension was invoked, and only for that day.

Representative McBrayer moved the adoption of **HR 3.**

Agreed.

The Speaker appointed the following committee to wait upon the Senate and the Governor: Representatives DeMarcus, McBrayer and Carroll.

Speaker Pro Tem Blume presiding.

Judge Neikirk announced that the oath of office was administered to Representative Bleemel in the hospital in Frankfort. In addition to the members already receiving the oath of office, the following members also received the oath of office: Representatives Huff, King and Keith.

The Speaker resumed the Chair.

The Speaker announced the Governor has been informed that the Senate and House are now organized.

Committee Appointments

The Clerk read a report of the Committee on Committees appointing the following:

COMMITTEE ON COMMITTEES

Julian M. Carroll, Chairman, (D)

Norbert L. Blume, (D)
William J. Reynolds, Jr. (D)
W. Terry McBrayer (D)
Joseph Prather, (D)

RULES COMMITTEE

Julian M. Carroll, Chairman, (D)

Norbert L. Blume, (D)
W. Terry McBrayer, (D)
William J. Reynolds, Jr., (D)
Joseph Prather, (D)
Harold DeMarcus, (R)
Eugene P. Stuart, (R)
Arthur L. Schmidt, (R)
Edward G. Brown, (D)
William P. (Bill) Curlin, (D)
James E. (Jim) Murphy, (D)
John Swinford, (D)
Darvin Allen, (D)
Walter A. Baker, (R)

ENROLLMENT COMMITTEE

John J. Isler, Chairman, (D)

Mrs. Nell Guy McNamara, (D)
Austin Wenz, (D)

Agriculture And Natural Resources

Bernard Keene, Chairman (D)
Donald J. Blandford, Vice Chairman (D)
Marrs Allen May, Vice Chairman, (D)

James Bruce (D)
Walter Davis (R)
Lavey Floyd (R)
Glenn Freeman (D)
Joe Head (D)
R. K. Keith (R)
E. Guy Lovins (D)
Omar Parish, Jr. (D)
Billy R. (Bill) Paxton (D)
Herman Rattliff (R)
E. T. (Tommy) Reed (D)
T. C. Simmons (R)
John Swinford (D)
Austin Wenz (D)

Appropriations And Revenue

William P. Curlin, Chairman (D)
Wilson W. Wyatt, Jr., Vice Chairman (D)

Walter Baker (R)
Norbert Blume (D)
Edward G. (Ed) Brown (D)
Joe Clarke (D)
Harold DeMarcus (R)
Bernard Keene (D)
Richard Lewis (D)
Gross C. Lindsay (D)
Joseph McBride (D)
William H. (Bill) McCann (D)
Ralph Mitchell (D)
Jon E. Rickert (D)
Arthur Schmidt (R)
Eugene P. Stuart (R)
Charles Wheeler (R)

Banking And Insurance

James Bruce, Chairman (D)
Tom Ray, Vice Chairman (D)
Phillip E. King, Vice Chairman (D)

E. Bruce Blythe (R)
Homer Dorris (D)
L. T. Hardin (R)
John Isler (D)
R. K. Keith (R)
Mae Street Kidd (D)
M. J. (Jerry) Kleier (D)
George Massey (D)
Joseph McBride (D)
James I. Osborne (R)
Billy R. Paxton (D)
Bert Ed Pollitte (D)
Russell Reynolds (D)
Clifford Sharpe (R)

Business Organizations And Professions

James E. Murphy, Chairman (D)
Mae Street Kidd, Vice Chairman (D)
W. J. (Jay) Louden, Vice Chairman (D)

Archie Brown (R)
David Carter (D)
Lloyd Clapp (D)
William (Bill) Donnermeyer (D)
Joe W. Haney (D)
Phillip E. King (D)
Denver Knuckles (R)
Carl Mershon (D)
Lloyd McKinney (R)
Carl A. Nett (D)
Clifford Sharpe (R)
Marjorie Tobin (D)
David Van Horn (D)
Dexter Wright (R)

Cities

Clarence R. (Dumps) Miller, Chairman (D)
Peter Conn, Vice Chairman (D)
William G. Kenton, Vice Chairman (D)

E. Bruce Blythe (R)
Edward L. Holloway (R)
John Isler (D)
M. J. (Jerry) Kleier (D)
Carl Mershon (D)
Carl A. Nett (D)
Tom Ray (D)
George Siemens (D)
T. C. Simmons (R)
Charles Wheeler (R)
Charles Wible (D)
Dexter Wright (R)
Wilson Wyatt, Jr. (D)
James R. (Jim) Yocom (D)

Counties And Special Districts

Dwight Wells, Chairman (D)
Ralph Graves, Vice Chairman (D)

Wallace Bartley (R)
Hershel Brown (R)
Lloyd Clapp (D)
Homer Dorris (D)
Lavey Floyd (R)
Brooks Hinkle (D)
Gene Huff (R)
Robert Hughes (D)
W. J. (Jay) Louden (D)
Bart Peak (D)
Herman Rattliff (R)
E. T. (Tommy) Reed (D)
Dan J. Roberts (D)
T. P. (Tim) Reynolds (D)
Glenn White (D)

Education

Brooks Hinkle, Chairman (D)
Bart Peak, Vice Chairman (D)

Darvin Allen (D)
Sherman Arnett (D)
Fon Deskins (D)
Gene Huff (R)
W. J. (Jay) Louden (D)
William McCann (D)
Lloyd McKinney (R)
Nell Guy McNamara (D)
T. P. (Tim) Reynolds (D)
Dan J. Roberts (D)
Carl Ruh (D)
Johnnie M. Salyers (D)
Arthur Schmidt (R)
John E. White (R)
Dexter Wright (R)

Elections And Constitutional Amendments

Russell Reynolds, Chairman (D)
Carl Ruh, Vice Chairman (D)
James T. (Jim) Alexander (D)

Leo Bleemel (D)
Hershel Brown (R)
Lloyd Clapp (D)
Raymond Collins (R)
William Donnermeyer (D)
Robert Hughes (D)
Denver Knuckles (R)
Gross C. Lindsay (D)
Nell Guy McNamara (D)
Bert Ed Pollitte (D)
Dan J. Roberts (D)
Eugene Stuart (R)
Glenn White (D)
John E. White (R)

Health And Welfare

Darvin Allen, Chairman (D)
Glenn White, Vice Chairman (D)

Wallace Bartley (R)
James A. (Jim) Davis (R)
Fon Deskins (D)
Glenn Freeman (D)
Joe Head (D)
Robert Hughes (D)
R. K. Keith (R)
M. J. (Jerry) Kleier (D)
E. Guy Lovins (D)
James I. Osborne (R)
Bart Peak (D)
Joseph Prather (D)
Dorothy Priddy (D)
Johnnie M. Salyers (D)
Howard West (R)

Highways And Traffic Safety

Sherman Arnett, Chairman (D)
James T. Alexander, Vice Chairman (D)
Leo Bleemel, Vice Chairman (D)

James A. Davis (R)
Homer Dorris (D)
O. A. (Cotton) Durham (R)
Glenn Freeman (D)
John O. Hardin, III (D)
L. T. Hardin (R)
Joe Head (D)
Carl A. Nett (D)
Omar Parish, Jr. (D)
Bert Ed Pollitte (D)
Herman Rattliff (R)
David Van Horn (D)
Austin Wenz (D)
John E. White (R)

Judiciary

John O. Hardin, III, Chairman (D)
John Swinford, Vice Chairman (D)

Walter Baker (R)
O. A. (Cotton) Durham (R)
Ralph Graves (D)
Gene Huff (R)
William Kenton (D)
Theron Kessinger (R)
Phillip E. King (D)
Richard Lewis (D)
Gross C. Lindsay (D)
Marrs Allen May (D)
Hughes McGill (D)
Lloyd McKinney (R)
Tom Ray (D)
David Van Horn (D)
Charles Wible (D)

Labor And Industry

George R. Siemens, Chairman (D)
James R. Yocom, Vice Chairman (D)
Hughes McGill, Vice Chairman (D)

Donald J. Blandford (D)
Tom Chapman (D)
Raymond Collins (R)
Fon Deskins (D)
William Donnermeyer (D)
Joe W. Haney (D)
Edward L. Holloway (R)
Theron Kessinger (R)
Omar Parish, Jr. (D)
Dorothy Priddy (D)
Russell Reynolds (D)
T. P. (Tim) Reynolds (D)
Howard West (R)
Charles Wheeler (R)

Public Utilities And Transportation

Edward G. (Ed) Brown, Chairman (D)
Ralph Mitchell, Vice Chairman (D)
Tom Chapman, Vice Chairman (D)

Wallace Bartley (R)
E. Bruce Blythe (R)
Archie Brown (R)
David Carter (D)
William P. (Bill) Curlin (D)
James A. (Jim) Davis (R)
W. Terry McBrayer (D)
George Massey (D)
Clarence R. (Dumps) Miller (D)
James E. (Jim) Murphy (D)
W. J. (Bill) Reynolds (D)
Eugene Stuart (R)
Marjorie Tobin (D)
James R. (Jim) Yocom (D)

State Government

Jon E. Rickert, Chairman (D)
Joe Clarke, Vice Chairman (D)
Charles Wible, Vice Chairman (D)

Norbert Blume (D)
Julian Carroll (D)
Peter Conn (D)
Walter Davis (R)
Harold DeMarcus (R)
Theron Kessinger (R)
Marrs Allen May (D)
W. Terry McBrayer (D)
Billy Paxton (D)
Joseph Prather (D)
W. J. (Bill) Reynolds (D)
Arthur Schmidt (R)
T. C. Simmons (R)
Dwight Wells (D)

Recess

Representative McBrayer moved that the House recess until 6:30 p.m., January 6, 1970. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

The Speaker appointed Representatives W. J. Reynolds and DeMarcus as a Committee of the House to wait upon the Governor and escort him, with a Committee from the Senate, to the House to address the Joint Session.

Introduction of Bills and Resolutions

HB 1, by Representatives McBrayer, Wenz, Deskins, J. O. Hardin, Bruce, Prather, W. J. Reynolds, Miller, Chapman, Ray, Arnett, Priddy, Hughes, Nett, Kleier, Wyatt, Kidd, Lindsay, Curlin, McBride, Isler, Allen, Salyers, May, Paxton, Hinkle, Reed, McNamara, Tobin, Yocom, Siemens, Wible, Louden, Alexander, Knuckles, Blandford, Carter, Graves, Mitchell, Parish, Conn, Mershon, Blume, Donnermeyer, Lovins, Van Horn, Freeman, Pollitte, Ruh, Collins, Roberts, Murphy, Kenton, Dorris, Peak, West, Clarke and Carroll: AN ACT relating to the motor vehicle usage tax.

HB 2, by Representatives McBrayer, Ruh, Wenz, Deskins, J. O. Hardin, Bruce, Prather, W. J. Reynolds, Chapman, Priddy,

Yocom, Siemens, Ray, Nett, Kleier, Wyatt, Kidd, Hughes, Murphy, Carter, McCann, Allen, May, Paxton, Hinkle, Reed, Tobin, Wible, McNamara, Roberts, Kenton, Dorris, Peak, Miller, Clarke, Carroll, Alexander, Blandford, Graves, Mitchell, Parish, Conn, Isler, Mershon, Blume, Donnermeyer, Lovins, Van Horn, Freeman, Pollitte, and Collins: AN ACT relating to income taxes.

HB 3, by Representatives McBrayer, Deskins, J. O. Hardin, Bruce, Prather, Miller, Chapman, Ray, Priddy, Yocom, Siemens, Nett, Kleier, Wyatt, Kidd, McCann, Ruh, Carter, Dorris, Allen, Salyers, May, Arnett, Paxton, Hinkle, Reed, McNamara, Wible, Lewis, Tobin, Alexander, Parish, Conn, Isler, Mershon, Blume, Donnermeyer, Lovins, Van Horn, Hughes, Freeman, Pollitte, Wenz, Collins, Roberts, Murphy, Kenton, Paxton, W. J. Reynolds, Peak, Clarke, and Carroll: AN ACT relating to the Kentucky State Air Pollution Control Commission.

HB 4, by Representatives McBrayer, Ruh, Deskins, J. O. Hardin, Bruce, Prather, Miller, Chapman, Yocom, Priddy, Siemens, Kidd, Ray, Nett, Kleier, Wyatt, Dorris, McCann, Carter, Allen, Salyers, Lewis, May, Paxton, Arnett, Hinkle, Wible, Reed, McNamara, Tobin, Roberts, Murphy, Kenton, W. J. Reynolds, Peak, Clarke, Carroll, Alexander, Blandford, Graves, Mitchell, Parish, Conn, Isler, Mershon, Blume, Lovins, Van Horn, Hughes, Freeman, Pollitte, Wenz and Collins: AN ACT relating to Sales Tax.

HB 5, by Representatives McBrayer, Miller and Chapman: AN ACT relating to general appropriations to the Legislative Research Commission for the operation, maintenance, support, and functioning of the Legislative Branch of government and its agencies of the Commonwealth of Kentucky.

HB 6, by Representatives Curlin and Wyatt: AN ACT relating to Sunday closing.

HB 7, by Representatives Isler, Mershon, Ruh, Reed and Donnermeyer: AN ACT relating to a compact between the Commonwealth of Kentucky and the State of Ohio providing for the creation, development and operation of the Kentucky-Ohio Interstate Bridge Commission.

HB 8, by Representative Hinkle: AN ACT relating to retirement.

HB 9, by Representative Chapman: AN ACT relating to annexation of territory or reduction of boundaries.

HB 10, by Representative Chapman: AN ACT relating to city police and fire departments.

HB 11, by Representative Hinkle: AN ACT relating to real estate transfer tax.

HB 12, by Representatives Allen, McBride, Knuckles, Freeman, Parish, W. J. Reynolds, Salyers, Deskins, T. P. Reynolds, May, Collins, Paxton, L. T. Hardin, Durham and Head: AN ACT relating to Workmen's Compensation.

HJR 4, by Representative McBrayer: A JOINT RESOLUTION making an appropriation to the Legislative Research Commission for special expenses incurred in connection with sessions of the General Assembly and declaring an emergency.

Representative McBrayer moved that the House resolve itself into a Committee of the Whole to go into Joint Session. Agreed.

Joint Session

The Speaker vacated the Chair, whereupon the Honorable Wendell H. Ford, Lieutenant Governor and President of the Senate, assumed the Chair and called the Joint Session to order.

Representative McBrayer moved to dispense with the roll call. Agreed.

Prayer by Reverend James A. Shepherd, First United Methodist Church, Frankfort.

The Committee appointed to wait upon the Governor appeared with the Governor.

Lieutenant Governor Ford introduced Governor Louie B. Nunn.

STATE OF THE COMMONWEALTH MESSAGE
DELIVERED BY GOVERNOR LOUIE B. NUNN
TO A JOINT SESSION OF THE KENTUCKY
GENERAL ASSEMBLY

JANUARY 6, 1970
FRANKFORT, KENTUCKY

MR. PRESIDENT OF THE SENATE, MR. SPEAKER OF THE HOUSE, MEMBERS OF THE GENERAL ASSEMBLY

Our constitution provides that the Governor shall "give to the General Assembly information of the State of the Commonwealth and recommend their consideration of such measures as he may deem expedient."

While complying with this constitutional provision, former Governors have used such glowing phrases as: "the future is bright" . . . "the economy vigorous" . . . "the state sound".

Thanks to the necessary and courageous action of a bipartisan majority of the 1968 legislators, all of these statements can be truthfully repeated tonight.

TAX RELIEF

But tonight there is one new, significant and important difference.

For the first time in the history of our Commonwealth, the Governor can stand before you and say that a tax reduction for all the people of Kentucky can be given without shifting the tax burden to other shoulders and without reducing the existing level of services to the people.

Of this, I am proud. Not because I am the first – but because the state of our Commonwealth is so secure, its financial strength so completely rejuvenated, its most crucial programs on such a progressive course, that *you have an option to give the people needed tax relief or to provide new programs or to expand existing programs that are desirable and worthwhile.*

My purpose tonight is not only to inform you as to the State of the Commonwealth but to share with you information and ideas on tax relief gleaned from many hours of serious deliberation with noted advisors, revenue experts, budget analysts, and members of both the Executive and Legislative branches of our government.

If it is your desire to give to the taxpayers some relief, you can and you should do so, first, *without destroying the fiscal soundness of the state;* secondly, *without reducing services to the people;* and finally, *by approving a balanced budget.*

To act responsibly, you must consider many complex and intricate factors before enacting a plan of tax relief. Some of the significant questions to be considered in the development of a tax reduction plan are:

Will it provide relief for those whose needs are most critical?

Will needed services for the people be continued?

Will the budgetary process be affected?

Will it increase administrative costs?

Will compliance work an undue burden upon the citizens?

Will it harmfully affect the total economy?

Will it be discriminatory in its application?

Will it adversely affect our industrial expansion and economic growth?

To answer these questions we studied, analyzed, deliberated, and agonized as to what could or should be done; how it could best be accomplished and its ultimate effect upon the people we serve.

The plan we finally accepted as best will provide the greatest tax relief for the needy, the sick, the blind, the elderly, the low and fixed income groups. It is the plan that best meets the human and professional criteria. It guarantees that Kentucky will not retreat from its finest hour and its greatest opportunity.

Governor Bert Combs, the father of our modern day sales tax, addressed this distinguished body in 1962 and said: "Thanks

to the sales tax, Kentucky has for the first time in this century enough money to make a brave advance in progressive government. Without the sales tax, we would fall back into the old and desperate pattern of failure and neglect. Even with the tax, we have not a dollar to spare as we try to forge a pattern of government sufficient to meet the minimum requirements of our people. Those who would alter our tax structure should, for the sake of Kentucky's welfare, propose an alternate source of equal revenue."

Some members of this General Assembly of 1970 were at that time among the chief architects and administrators of his programs, including the sales tax. Some of you were main supporters of his deeds and applauders of these very words that he uttered.

If you should change your position now, because the people have changed Governors and political parties, then it will be apparent that this Legislature owes its first allegiance to politics rather than to progress for the people.

The people of Kentucky are looking. I invite their attention.

In that same address Governor Combs also had something to say on the subject of politics which might be helpful now, and again I quote: "Of course, I am not blind and you are not blind to the facts of political life. You and I know that there are those who want to make this General Assembly a testing ground for missiles designed to be launched in the gubernatorial campaign of 1963. But you and I were not elected to be manipulated and controlled for the personal advantage of ambitious candidates. We were elected to do something constructive for the people of Kentucky and those who will follow us."

KENTUCKY . . . THEN AND NOW

Let us turn now to the state of the Commonwealth.

Tonight we are able to proclaim AND TO PROVE that Kentucky is rushing rapidly toward a true destiny of greatness.

What a contrast this is to the bleak picture of Kentucky's depressing financial plight that confronted all of us only two short years ago.

On December 12, 1967, state funds were nearly exhausted. Our state was well on its way into bankruptcy.

We faced a deficit of 36 million dollars.

The state was delinquent by 27.5 million dollars in funds for education.

We faced a 3.5 million dollar cutback in medical assistance for the aged and needy.

300 thousand dollars was needed immediately just to keep open our mental hospitals.

Interstate and Appalachian highways could not be completed.

Projects already under way stacked approximately 100 million dollars on top of the existing deficit.

Kentucky had been overspent, overcommitted and undersold. When it came time to pay the bills, there was no money in the state purse.

The fact that this challenge has been resolved, financial soundness restored, and a 25 million dollar construction program authorized from current revenues is in itself a tribute to the courage and the dedication of the 1968 Legislature and to the people of Kentucky.

I do not recite the unpleasantries of the past in an effort to fix blame or to criticize.

But I am aware that almost one-third of this General Assembly is made up of members who were not here during the last session.

It is particularly for their benefit that I review the grave situation confronting us at that time and enumerate some of the major accomplishments that have been made primarily to illustrate what can be accomplished when the membership of this body dedicates itself to serious, unselfish, courageous, nonpartisan action.

On December 12, 1967, we found that commitments had been made and citizens expected the construction and operation of new health, education, correction and mental care facilities

costing millions of dollars. But what neither we nor they knew was that full funding for these projects had not been provided. New revenue anticipated from economic growth would not begin to adequately meet these commitments or to ease the financial chaos that paralyzed almost every vital service.

Those commitments are being kept now and the people's expectations fulfilled.

On December 12, 1967, reductions in state services ranging from the education of our youth to the care of the elderly seemed unavoidable. Aid to the needy would have been terminated. We averted that catastrophe.

MENTAL HEALTH-MENTAL RETARDATION

On December 12, 1967, Kentucky's mental health facilities were in desperate need of repairs and renovation — yes, even food. Some were about to be closed. They were unsafe, inhumane, and deteriorated to the point that they could no longer qualify as hospitals. They were mere warehouses of human suffering.

Now, however, fifty renovation and repair projects costing in excess of 4 million dollars and increased salaries for psychiatric aides have brought us from that dismally low ebb. We have now reached the highest plateau in Kentucky's history for services and care to the mentally ill.

Today, for the first time in our history, every mental hospital in Kentucky is fully accredited.

On December 12, 1967, virtually in the shadow of our Capitol dome, the Frankfort State Hospital and School sat forgotten, run down, antiquated beyond hope, ill equipped, understaffed, and overcrowded . . . a mockery of all the optimistic oratory of those who had in other years proclaimed a new, better day for Kentucky.

Today, we are moving out of the dark ages of mental health and mental retardation, out of the oldest institution of its kind still in use in the United States.

Today, we are achieving national leadership not only in the design of our treatment services, but also in the construction of the most modern and comprehensive retardation facility in the country.

CHILD CARE

In the field of child welfare, two years ago there was not enough money, despite the generous support of the private sector, to open a desperately needed juvenile care center for young delinquent girls.

Today this facility, Jewel Manor near Louisville, is in operation and making a constructive impact on the lives of its inhabitants.

Two years ago, young delinquents shivered through the winters in drafty, dirty, dilapidated buildings at Kentucky Village near Lexington, an installation once condemned but now praised by grand juries. The students there were undisciplined because of inadequate concern and unqualified supervisory personnel . . . ill-clothed and dirty because others had reneged on their budgetary promises.

The youngsters at Kentucky Village were moving further down the road toward a life of crime rather than upward on the intended path toward rehabilitation and useful citizenship.

Today, drastic, progressive, creative action has left its mark. Physical, mental and moral differences are immediately noticeable.

The buildings have been repaired, the children are clean, a new comprehensive education program has been initiated, and regular religious training is required. Discipline is being taught . . . and being learned.

A new home for mentally retarded delinquents has been established at Frenchburg and a renovated facility for older delinquent girls will soon be in operation in Louisville.

Tonight, more than 400 additional children are experiencing a happy and more complete life in foster homes.

Here again, in yet another vital human service, Kentucky has moved from obscurity and shame to a place of national prominence and leadership.

This is not my evaluation alone or that of the able staff that has directed this Department to its new found place of prominence. The National Council on Crime and Delinquency

has identified Kentucky as among the nation's top three states in juvenile care and delinquency prevention and is on the verge of being recognized as number one.

EDUCATION

In education, Kentucky's generous investment pays visible dividends by affording to all an opportunity for productive participation in our society.

A record 90 million dollar increase in appropriations rescued the hopes of 640 thousand students in our local elementary and secondary schools, provided the first increase in funds for current expenses and capital outlay in eight years, and stemmed the outward migration of our teachers by pushing their salaries to record levels.

Because of appropriations included in the budget two years ago for classroom construction, 250 million dollars are available to construct modern, safe, serviceable school buildings or additions thereto in every one of our 193 school districts.

Funds for our state colleges and universities were increased by 34% to a record 177 million dollars so that we might accommodate the record enrollment of 62,600 students.

The number of Kentucky's community colleges has been increased by 50 per cent.

The new four year Northern Kentucky State College, which you approved, and which we have temporarily funded, is well on its way to becoming a reality for a long ignored region of our Commonwealth. This is the first four year college established in Kentucky in 47 years.

Kentucky was one of the few states to hold the line against rising tuition fees for resident students and actually lowered tuition costs at the University of Louisville. Consequently, both the students and their parents benefited. This plan is a more equitable and helpful method than tax credits for parents of college students.

Kentucky became the first state in the nation to welcome a student leader to membership on the Boards of Regents and Trustees at state supported colleges and universities.

The college intern program, which we initiated for students, coupled with other demonstrations of our concern for the youth of this state, has fostered a bond of mutual understanding and respect which no doubt has helped to spare our campuses the interruption and destruction witnessed outside of our state.

Through several "brainstorming" seminars attended by members of this Administration, outstanding college educators and talented student leaders, we are striving to build from this bond of mutuality a productive relationship and a constructive dialogue between state government and the gifted human resources on our campuses.

By doubling our investment, and our emphasis on vocational education, four new extension centers have expanded curriculum, nine local centers are now open, four more are scheduled for operation before July and the construction of five others is now under consideration, bringing vocational education opportunities to within 25 miles of every Kentuckian.

More than 115,000 Kentuckians benefited during the past two years from our nationally heralded system of vocational training.

Kentucky's educational television network, the largest most flexible and most functional in America, is serving young and old alike, as it reaches into 170 of our 193 school districts and into countless thousands of homes.

With 24 construction projects underway, Kentucky is building more public libraries than any other state in the nation. Supplementing this expansion is a fleet of 105 bookmobiles, the largest state-owned travelling library in the country.

What has been described by educators as the two most progressive and memorable years of educational accomplishment in Kentucky's history will be climaxed this spring with the completion of a 1.3 million dollar training facility at the School for the Deaf at Danville and a 900 thousand dollar all purpose center at the School for the Blind at Louisville.

These two new facilities shall stand for years to come as reminders of our concern and as challenges to broaden the horizon of education for all who are in need of special care and training.

AGRICULTURE

Turning now to other areas of accomplishment and progress:

Agriculture, the backbone of Kentucky's economy, is basking in the light of unparalleled attention.

The constitutional amendment affecting taxes on farm land sought by farm leaders was approved by the people at the last election and now awaits your implementation.

Discriminatory farm machinery taxes have been eliminated.

A meat inspection law to aid small packers and to assure the safety of our citizens was enacted during our last session.

The full force and assistance of technology and research from our colleges, universities, county agents and new diagnostic facilities have been directed to the aid of Kentucky's farmers.

The Animal Diagnostic Laboratory for Western Kentucky at Hopkinsville has been made operative.

Construction on the Diagnostic Laboratory for Eastern Kentucky and establishment of the livestock research center at Lexington will begin shortly.

At a time when Kentucky farms and our major cash crop are both under severe attack, it is my privilege tonight to report, based on estimates now available, that in 1969 for the first time in our history, Kentucky's realized gross income from farming has exceeded 1 billion dollars.

MINING

Our mining industry continues to surge forward. With the 102 million tons of coal produced in 1968, we passed Pennsylvania to become second in production among the states. With the recent opening of several large new mines, Kentucky will soon be first in the nation.

Production is only one aspect, however. Concern is growing for our environment and for the health and safety of our people. Conservation of both our natural and our human resources has become a necessary and commendable part of the

mining operation. I especially commend those who suggested and enacted Kentucky's progressive laws pertaining to surface mining. We have kept faith with the spirit as well as the letter of those laws. Enforcement has been firm but fair.

The health and safety of the miners has not gone unnoticed.

Kentucky last year became the first state in the nation to use modern scientific equipment to reduce the dangers of black lung. For the first time a concerted effort was made to provide better coverage and benefits for miners under the Workmen's Compensation Act. And for the year 1969, we are thankful for the fewest fatalities ever recorded in the history of the industry in this Commonwealth.

Nearly all of Eastern Kentucky and much of Western Kentucky is dependent upon the mining industry. Not for the sake of the industry, but for the sake of the people employed and its contribution to the economy, serious consideration should be given to any legislation that would be discriminatory or place this important industry at an economic disadvantage.

INDUSTRIAL GROWTH

Recent months have also witnessed the continuation of our march toward industrialization.

With confidence in our broad based, non-discriminatory tax structure, and with confidence in the skills and dedication of our people, industry has invested more than 513 million dollars to build and expand manufacturing facilities in the Commonwealth during the past two years. 152 new industries and 214 expanded plants have provided more than 23 thousand new jobs for Kentuckians.

In view of rising interest rates, national inflation and the recent ceiling placed upon industrial bonds, these are truly outstanding achievements.

There has been, at long last, a break-through in locating industry in Eastern Kentucky. Thirty distinguished companies have demonstrated confidence in the people of the mountains. These new plants, representing a capital investment of 27.3

million dollars, will, when in full production, provide more than 2,500 new job opportunities.

We are reasonably certain that nine additional companies plan similar investments in this area that will create about 4,500 more jobs. We are confident that the success of these pioneers will attract still more companies in the near future.

We have also undertaken important, ambitious steps to prepare for the future. In keeping with our goal of total resource development, a plan for scientific development has been formulated to extend through the 70's.

This plan focuses on the developing petrochemical industries and the nuclear industries. New uses for coal in the production of chemicals is one of many forward-looking enterprises we expect to stimulate during the next decade.

AIRPORT DEVELOPMENT

Industry is going to the air.

The fact that Kentucky is within 2 hours by air of 70 per cent of America's population is a considerable advantage in competing for new industry. That is why we are dedicated to achieving unparalleled growth in the number of airports in Kentucky.

Due in part to record appropriations, 12 new, expanded, or improved airport facilities became operative during the current biennium.

Six new airport projects are under construction and eight more are planned.

Significantly, we have consolidated the state's own force of airplanes at a savings during this administration alone of approximately 350 thousand dollars.

HIGHWAY CONSTRUCTION

To the political critics of this Administration's operation of the Department of Highways, our reply is immediate, straightforward and factual:

—Last year, Kentucky led all other states with nearly 3,000 miles of new highways let for contract;

—Kentucky led the entire nation with the completion of 228 miles of modern, four-lane limited access highways last year;

—Kentucky now leads the 13 Appalachian states in highway miles completed or under construction under the Appalachian Highway Development Program;

—The Toll Road Authority has approved and we have begun construction on a broad corridor of opportunity that will enhance the future of more than a third of the counties in Kentucky along a 254-mile route from Henderson to Hazard;

—Kentucky was the first state to complete its section of Interstate 65, stretching from the Ohio River to the Tennessee border;

—Increased revenue from updated auto license fees allowed us to maintain approximately 3,000 more miles of county roads;

—The Rural Secondary Road System was significantly expanded and modernized. Today, more Kentuckians than ever before are traveling to church, to school and to work on safe, convenient, blacktopped roads . . . roads made possible during the 1968 Legislative session.

—Collapse of the Silver Bridge at Point Pleasant within days of my inauguration pointed up the price that other states were forced to pay for neglect. Determined that the same tragedy should not occur in Kentucky, we established the statewide red tag bridge inspection program that uncovered 171 perilous spans in need of emergency repair to make them safe for their posted capacities.

It has taken time and money to overcome this neglect. Under an accelerated program, 57 bridges have been repaired, 42 replaced, 49 are in some state of planning and 23 are in need of further action.

Highway construction is among the best of many examples of progressive, prudent, professional stewardship during the past two years. We stand proudly on this undeniable record of achievement as sound builders of Kentucky.

PARKS

For many years, Kentuckians have been justly proud of their world-famous resort parks and recreational facilities.

To remain number one in this field and to meet the demands created by the record 9.4 million persons who now visit our state parks each year requires far more than a caretaker government. It requires constant improvement and steady progress.

These goals are being met by this Administration. New resort parks are being developed at Dale Hollow, at Lake Barkley, at Barren River and at Greenbo Lake.

In addition, new parks are being planned at Grayson Reservoir in eastern Kentucky and at Green River Reservoir in central Kentucky.

Overnight lodging facilities in the state park system will have been increased by fully 50 per cent by the end of this Administration.

In view of the fact that tourists spend 510 million dollars in Kentucky in 1969, and provided the state with 38 million dollars in tax revenue, we regard expenditures toward the improvement and expansion of our parks system as prudent and fully justified investments.

NATURAL RESOURCES

Few states have been blessed with as many natural riches as Kentucky and it is reasonable to assume that few states stand to lose as much as ours if we condone the blight of environmental pollution.

Proceeding from this fundamental principle, we are confronted with the demanding, arduous task of writing guidelines to govern the use of Kentucky's clean air, her pure streams, wild rivers and fertile fields.

There is no room for quarrel between conservationists and industry or agriculture. We must move with caution. All should have as their overriding purpose the wisest use and preservation of our natural resources.

That is why, in constructing anti-pollution and conservation guidelines, we must cultivate a common ground on which these forces, industrialists and conservationists, can meet and work together.

Meanwhile, efforts continue to preserve the matchless beauty of our Commonwealth.

Since we last met, the breathtaking grandeur of the Red River Gorge has been preserved.

And Lilley's Woods, in Letcher County, is now our gift to present and future generations, in hopes that the quiet majesty of this untainted virgin forest may someday inspire its visitors to a better understanding and appreciation of our land and those who developed it.

THE BUSINESS OF GOVERNMENT

Less than two years ago, we created the Kentucky Program Development office. It was designed to be one of the planning arms of state government and was particularly intended as a coordinating agency for projects involving local, state and federal participation.

Here, then, is the remarkable record already established by this infant agency, for which I now ask your confirmation.

It brought 93 million dollars in federal grant monies to Kentucky in its first year and that total likely will be surpassed in the current year.

The Kentucky Program Development Office also pioneered the concept of multi-county Area Development Districts, designed to facilitate the coordination of comprehensive planning for future growth through local initiative, state technical assistance and federal funding.

Through the work of this agency, Kentucky has become the first state in the nation to establish comprehensive health planning councils in every region. Recreation, vocational education and rehabilitation, sewage treatment, public housing and other projects have been pushed forward in every part of Kentucky by this agency.

In other areas of government:

We are determined that good personnel management shall be one of the outstanding hallmarks of this Administration.

Therefore, I am pleased to report that strict personnel policies, including a freeze on hiring, have enabled us to operate state government at a higher level of efficiency with fewer state workers than were on the payroll at the time of my election in 1967.

The state's unrealistic and wasteful proliferation of holidays has been reduced from 16 paid holidays to nine and one-half. I ask that you confirm this action. Kentucky taxpayers have been burdened too long already by this unnecessary luxury.

For the first time in the history of this government, minimum and maximum employment levels have been established in every state agency to assure the greatest economy of operation and the most efficient level of service to the people.

Modern personnel management techniques used successfully in business are now being instituted throughout our government.

In the delivery of human services to those who seek state aid, we have formed the Human Resources Coordinating Commission in an effort to avoid costly duplication and overlapping of social services.

Taxpayers throughout Kentucky owe a debt of gratitude to the volunteer citizen leaders from business, industry and education who inspected, audited and analyzed state government as part of the Efficiency Task Force.

Their recommendations already have resulted in millions of dollars of savings that can be carried over and multiplied by future administrations.

To meet the complexities that confront government today, we constantly require the assistance of computer technology. A plan is being devised to consolidate the state's computer program. Once enacted, it has been estimated that the new system can be operated at a savings of approximately four and one half million dollars over the next four years.

SPINDLETOP RESEARCH

This state's technical resources and research capability have been measurably strengthened by the fact that Spindletop Research has cast aside its chains of indebtedness and ineptitude of two years ago and is now accomplishing its intended and much needed purpose.

Private enterprise, showing confidence in this Administration, demonstrated its endorsement of this worthwhile project and its concern for the future of our state by investing in excess of one-half million dollars to help Spindletop avoid impending bankruptcy.

Spindletop has and will continue to make an immeasurable contribution to our quest for new and expanding industry, to social and economic progress and to the effectiveness of governmental institutions in our state.

CORRECTIONS

At the penal institutions, adult offenders entrusted to our care have not been forgotten in our endeavor to make every Kentuckian count.

At Eddyville, a new farm dormitory for 100 inmates has been opened to relieve overcrowded conditions. A medical clinic with complete surgical facilities is under construction and a psychiatric unit for mentally disturbed inmates is being provided.

At LaGrange, a modern 628 thousand dollar vocational training and rehabilitation center has been constructed.

A key punch operation at both institutions provides service to several governmental agencies, resulting in savings already amounting to more than 100 thousand dollars to Kentucky taxpayers while providing learning opportunities for useful, productive skills.

Farm production on institution property is up by 20 per cent, resulting in net profits to the state in excess of 26 thousand dollars over the previous fiscal year.

At no cost to the state, we obtained and converted the Job Corps Center at Frenchburg to be used for the rehabilitation of first offenders . . . another progressive, pace-setting, advancement in the field of corrections.

HEALTH AND WELFARE

The social well-being and the economic progress of our state are directly related to the health of our people.

Not only must we strive to eliminate the existing problems, but we must constantly plan to prevent future dangers.

Ours was the first state to initiate a rubella control program and a cervical cancer testing program.

Many new and additional health facilities have been added throughout the state during the last two years.

29 new hospitals providing 1,750 beds have been expanded or constructed, along with 30 nursing homes, 12 public health centers and 9 community mental health centers with 170 new psychiatric beds.

Through salary increases, we have recognized the contribution of public health nurses as the front line of defense against physical affliction.

Expenditures for medical assistance have almost doubled since 1967.

The employees in this department must, of necessity, be highly-skilled and technically trained individuals. Competing for their skills is one of our major problems in endeavoring to secure for our people the best in medical attention.

AN AGENDA FOR LEGISLATIVE ACTION

Even in the shadow of towering accomplishment and rapid progress much remains to be done. No State of the Commonwealth message is complete . . . indeed, no Governor has performed his whole duty . . . without also pointing out current issues and problems that confront our people.

Great problems of moral, constitutional, economic and social importance cry out for your attention and your action in the days ahead. I call these matters to your attention because, under our Constitution, you, and only you, can bring about their resolution and give to the people a course of action.

Knowing of your concern, being aware of the views many of you have stated publicly, appreciative of your expressed desire for independence and recognizing your Constitutional authority to act, I await your decisions on these matters. Once you have resolved these differences, then I shall fulfill my Constitutional duties to the best of my ability.

Chief among these is the "rollback" law that fixes property tax revenue at 1966 levels.

Conflicting positions have been expressed regarding the present interest rates. Inasmuch as this subject affects so many Kentucky families in many ways, it should have your immediate attention.

Another issue to be acted upon . . . one that has generated extreme passion in other coal producing states . . . is coal workers pneumoconiosis, or "black lung".

Professional negotiation for teachers is an area of potential conflict that begs legislative deliberation.

Other contemporary problems demanding your attention include:

____environmental pollution;

____conflict of interest laws and financial disclosure requirements for public officials and candidates; and

____consolidation of school districts and governmental units into multi-county realignment.

Several other issues have thus far escaped satisfactory resolution. As you will recall, the 1968 General Assembly was so closely divided on the question of Daylight Savings Time that it was finally decided by the vote of one man. Now there is a clamor for revision.

Sunday Closing Laws have inspired strong moral and legal questions and have aroused the conscience of many of our people. The people now turn to you for direction.

Many other complex problems are of a financial nature and I shall deal with them in my budget address. Also, from time to time during this session, other matters of great importance and urgency probably will be brought to my attention. In that event, I feel an obligation to communicate them to you and I shall honor that obligation.

AN END AND A BEGINNING

Ladies and gentlemen, on these notes of high accomplishment and lingering challenge, we say farewell tonight to Kentucky's second century.

Two hundred years ago, in 1769, the first settlers came to explore the mountains and the meadows of our great state.

Uniquely, the burden of history and the responsibility for setting a new course for the future were placed on this Administration.

Our first two years brings down the curtain on two centuries marked by dramatic human effort and great sacrifices . . . a time in which Kentucky came out of the wilderness to attain statehood and national brotherhood, all the while developing and sending forth men and women of great character and courage, foresight and determination to lead and serve our state and our nation.

Our next two years . . . the biennium on which we must soon embark . . . opens Kentucky's third century, a new era in which I pray the sacrifices and the contributions of past generations can be meshed with the efforts of now and future generations to produce a better life for all of our people.

Mindful of the historic implications attendant to this term of office, it has been our principal duty and our supreme goal to write an honorable ending to Kentucky's first 200 years and at the same time to construct solid, useful foundations for the future.

This I firmly believe we have done. We stand tonight awaiting the judgment of history and our fellow man . . . confident in the knowledge that our beloved Kentucky is now prepared to enter the new era that awaits us.

Inspired by the adventure of progressive programs to ease human suffering, eradicate ignorance, fight poverty and prevent crime . . . assisted by our restored financial strength . . . helped along the way by an increasingly effective government and urged on by public confidence, Kentucky now seeks rather than shuns the uncertainties, the challenges, and the opportunities of the future.

And now, I conclude with a special request. So that we may proceed as rapidly as possible in serving the future needs of those to whom we have pledged our service, I respectfully ask permission to come before you tomorrow afternoon at 1 o'clock to present for your approval the Executive Budget.

At that time, I shall lay before you a comprehensive blueprint for the future . . . a foundation from which together we can launch Kentucky toward new greatness in a new decade and a new century.

Thank you and good evening.

Representative McBrayer moved that the Joint Session be dissolved. Agreed.

The Speaker resumed the Chair and called the House to order.

Representative McBrayer moved that the House select five members by lot to resolve the election contest in Boyd County, 100th District, between Wheeler and Holbrook. Agreed.

The Clerk drew the following names: Representatives Graves, West, Wright, J. A. Davis and Blandford. The Speaker called the names to confirm all present. All present.

Representative McBrayer moved that the House adjourn until 12:30 p.m., Wednesday, January 7, 1970.

On the roll call the vote was yeas 68—Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Hershel Brown, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Floyd, Freeman,

Haney, Head, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Pollitte, Prather, Priddy, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Siemens, Stuart, Tobin, Van Horn, Wells, Wenz, West, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 1—Wheeler.

The motion to adjourn was adopted.

WEDNESDAY, JANUARY 7, 1970

SECOND LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Dr. James A. Shepherd of the First United Methodist Church, Frankfort.

The roll was called. All present except Representatives Bleemel, E. G. Brown, Durham, McGill, R. Reynolds and Wenz.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 6, 1970, be dispensed with and the same approved. Agreed.

Representative McBrayer moved that the Governor be invited to present the budget at 1:00 p.m. Agreed.

The Speaker appointed the following committee to wait upon the Governor: Representatives DeMarcus and W. J. Reynolds.

Introduction of Bills and Resolutions

HB 13, by Representatives J. O. Hardin, May, Hinkle, Allen, Arnett, Ruh, Prather, Paxton, Chapman, Parish, McCann, Blume, Deskins, Bruce, McBrayer, Wells, Miller, Mitchell, Massey, McNamara, Van Horn, Salyers, Ray, Nett, Kleier, Priddy, Haney, Siemens, Yocom, Head, Clarke, Conn, Mershon, Kenton, Alexander, Hughes, Wenz, Pollitte, Donnermeyer, Blandford, W. J. Reynolds, Wible, Roberts, Lewis, Graves, Wyatt, Kidd, Swinford, Isler, Lindsay, McBride, Clapp, Louden, Rickert, Keene, Curlin, Tobin, Peak, Murphy, King, R. Reynolds, G. White, Carter, Freeman and Carroll: AN ACT relating to budget and financial administration.

HB 14, by Representative McNamara: AN ACT relating to sales tax exemption on certain items.

HB 15, by Representatives G. White, Allen and McNamara: AN ACT relating to chauffeurs.

HR 5, by Representatives Durham, Massey, E. G. Brown, Wenz, Hughes and Arnett: A RESOLUTION recognizing and commemorating the honors and prominence bestowed upon Kentucky by Edgar Allen Diddle.

HR 6, by Representatives Conn, Kenton, Yocom and Blume: A JOINT RESOLUTION directing the Legislative Research Commission to undertake a comprehensive study of the laws governing cities.

HR 7, by Representatives J. A. Davis, Wyatt, Prather and McBrayer: A RESOLUTION commending national, state and Local Jaycees and establishing the week of January 18 to 24, 1970 as Jaycee Week.

Reference of Bills and Resolutions

The Committee on Committees referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 1, HB 2, HB 4, HB 5, HB 11** and **HR 4.**

Cities: **HB 9, HB 10.**

Education: **HB 8.**

Health and Welfare: **HB 3, HB 12.**

Highways and Traffic Safety: **HB 7.**

Labor and Industry: **HB 6.**

Representative DeMarcus moved that the Rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 16, by Representatives Rickert, Prather, Keene, Rattliff, McNamara, Hinkle, Huff, J. E. White, Floyd, H. Brown, McKinney, G. White, Collins, Salyers, Mitchell, Alexander, Osborne, Priddy and Tobin: AN ACT relating to standard time in Kentucky.

HB 17, by Representatives Baker, Van Horn, Allen, Salyers, A. Brown, L. T. Hardin, Wheeler, Wright, May, Rattliff, Siemens, Lewis, DeMarcus, Huff, Arnett, West, Durham, W. Davis, Collins, McNamara, Simmons, McKinney, Bartley, Tobin and Keith: AN ACT relating to pay of jurors.

HB 18, by Representative DeMarcus: AN ACT relating to appropriations for the operation, maintenance, support and functioning of the government of the Commonwealth of Kentucky and its various officers, departments, boards, commissions, institutions, subdivisions, agencies, and other state supported activities.

Representative McBrayer moved that the House resolve itself into a Committee of the Whole to go into Joint Session. Agreed.

Joint Session

The Speaker vacated the Chair, whereupon the Honorable Wendell H. Ford, Lieutenant Governor and President of the Senate, assumed the Chair and called the Joint Session to order.

Prayer by Dr. James A. Shepherd, First United Methodist Church, Frankfort.

Lieutenant Governor Ford introduced Governor Louie B. Nunn.

BUDGET MESSAGE
DELIVERED BY GOVERNOR LOUIE B. NUNN
TO A JOINT SESSION OF THE KENTUCKY
GENERAL ASSEMBLY

JANUARY 7, 1970
FRANKFORT, KENTUCKY

MR. PRESIDENT OF THE SENATE, MR. SPEAKER OF THE HOUSE, MEMBERS OF THE GENERAL ASSEMBLY

Last evening, it was my privilege to present to you an assessment of our past accomplishments and a review of our efforts

to construct solid, useful foundations for the future of the people of the Commonwealth.

It was my purpose then to apprise you of Kentucky's present position. It is my purpose today to speak of the future . . . to lay before you programs and policies on which we and others may extend the progress that we have engendered.

Among the most important duties that you and I must share in directing the affairs of the state are the submission and the adoption of a budget. With its presentation to you today, I hereby fulfill my budgetary obligation.

At our pre-legislative conference, I pledged you full cooperation of the Executive Branch during this Session. My reasons for presenting this budget to you at the outset are to demonstrate my desire to cooperate and to extend to you, for the first time in this state's legislative history, the opportunity, not only to approve, but to share in the reduction of taxes or the distribution of the funds that are available during the next biennium.

I have also chosen to bring the budget to you early so you may have ample time to study, conduct hearings and act on its passage within the time allotted. Many state funds to be appropriated are matched against federal funds and the failure to enact a budget could result in a great loss of available revenue and a corresponding loss of services to the people.

The document submitted today represents more than an exercise in arithmetic . . . much more than paper, ink and numbers. It underscores the hopes and aspirations of more than 3 million Kentuckians. It is a sound financial plan for the future . . . one that continues progress with justice . . . a carefully conceived extension of that human document so overwhelmingly approved by the General Assembly two years ago.

It does not propose expenditures in excess of the funds available. It leaves no deficit such as we faced two years ago. I would not, under any circumstances, place the people of Kentucky in that periolous financial position for either the appeasement of any political group or the political ambition of any person.

A BUDGET FOR THE PEOPLE

If a simple description can be made of such a complex document, let us say that this is a budget for the people. It recognizes that the people need and deserve a rest from the endless growth of government.

This budget reflects our assumption that you will grant tax relief to the people. I will submit to the Appropriations and Revenue Committee a plan of tax reduction that will allow such relief and guarantee a balanced budget.

This plan meets the human and professional criteria outlined to you in the State of the Commonwealth address. It will include:

(1) Elimination not only of the two per cent sales tax on prescription medicine endorsed by the General Assembly two years ago, but also elimination of the three per cent sales tax imposed by the 1960 legislature;

(2) Elimination of the five per cent use tax on the transfer of automobiles within a family;

(3) An increase in the minimum standard personal deduction and a higher minimum filing requirement for personal income; and

(4) Extensive relief for the blind and the elderly.

This budget provides for an uncommitted reserve of 18 million dollars to finance the adoption of this tax plan or for other legislative disposition. At this point, I would caution you that the fragile balance of the budget will be destroyed by a larger revenue reduction than I have outlined.

If it is the will of this legislature to go beyond the provisions of this tax reduction plan, then it is incumbent on you to replace the lost revenue with alternate sources or to justify to the people the destruction or cutback of vital programs that will result from your action.

This budget will receive more careful scrutiny than any budget in the history of the Commonwealth. I neither question nor resent this careful review. On the contrary, I welcome it.

The decisions you make here in the next few weeks will have an everlasting effect on the lives of our fellow citizens.

Therefore, I feel compelled to commend to your attention some elements within this document that are especially deserving of your careful consideration.

HIGHWAYS

It is impossible to over-emphasize the importance and the influence of modern, safe highways. The emerging pattern of industrial development and tourist attractions along our present system stand as undeniable evidence of the progress good roads bring to our people.

We plan to continue the construction programs now underway and to increase our efforts to extend these corridors of opportunity to all citizens of the Commonwealth. Our highway program calls for construction expenditures of more than 636 million dollars. It permits the accelerated continuation of the Interstate and Appalachian systems as well as completion of the Henderson to Hazard Parkway.

County roads have not been forgotten. Aid to counties for the construction and maintenance of rural roads will be increased to 89.9 million dollars.

In 1968, the General Assembly approved our recommendation that more than 40 million dollars be allocated to match federal funds available for the construction of highways . . . the first time in more than a decade that borrowed money was not used.

Today, I am recommending 43 million dollars for this purpose in order that we may utilize available federal funds to Kentucky's fullest advantage.

PUBLIC SAFETY

The rate of crime continues to increase in cities and counties throughout the state. The death toll on our highways continues to mount. To prevent these situations from growing worse, more and better trained police officers are needed.

Two years ago, available funds enabled us to add only 60

troopers and 12 criminal investigators to the ranks of the Kentucky State Police. This budget contains provisions to add 65 troopers.

Funds now available dictated that we allocate far less than was requested by the Department of Public Safety. However, I remain firmly convinced that the safety of our people and their property must be one of the primary concerns of this government. Therefore, I have included and call to your attention a special recommendation that a significant portion of a possible new source of funds be made available for state and local law enforcement.

A bi-partisan crime commission, consisting of technical and lay individuals who have devoted much time and study to this problem will present a crime package costing approximately 9 million dollars.

This is not included in the budget because, obviously, funds are not presently available.

However, prior to your convening in 1972, the United States Congress possibly may approve the much-discussed revenue sharing plan. Although no firm, precise estimate of Kentucky's share can be made at this time, and in view of the fact that at least 38 per cent is required to be passed onto our cities, *I am requesting that if any funds are received, 50 per cent of the amount be appropriated to the Department of Public Safety for the following projects:*

—an extensive traffic safety program;

—additional State Troopers;

—funding of an intensive effort to stop the illegal sale and use of drugs;

—establishment of a State Bureau of Criminal Investigation; and

—such other projects as may appear necessary to secure the safety of the people and their property, and to carry out as much of the Crime Commission's program as possible.

I propose that the remaining 50 per cent of our federal tax sharing funds, if any, be used in the battle against air and water pollution and in other areas of public health.

To be fully effective, our law enforcement officers must be reinforced by a competent, dedicated and courageous judiciary. Often, overcrowded court dockets cause unnecessary delay in the administration of justice. To ease this situation, we have provided funds to establish three new circuit judgeships.

EDUCATION

By far the largest portion of our available resources will again be invested in education. 67.9 per cent of the General Fund has been allocated for this purpose, compared with 67.3% two years ago.

This guarantees that the record high standards achieved for the Minimum Foundation Program in the 1968 biennium will be preserved. For instance, the increases of almost 60% for operations and 600 dollars for each classroom unit for capital outlay approved two years ago are continued by this budget.

Keeping abreast of the increases in students in our local grade and high schools requires a substantial increase in funds each year. Therefore, we recommend that 57 million dollars, representing forty-two per cent of the added revenue from economic growth, be appropriated to the Minimum Foundation Program and the Teachers' Retirement System.

These funds are marked primarily for use in meeting the rapid growth of pupil enrollment, continuation of the free textbooks program, and supplemental support for the teachers' retirement fund.

The growth in number of school age children beyond our estimates and the partial or complete closing of some parochial schools have created the need for a supplemental appropriation of 2 million dollars in the current fiscal year. Fortunately, economy and efficiency in state government have enabled us to realize a surplus from which these necessary funds can be appropriated.

Teacher Salaries

Two years ago, I included in the budget 36.7 million dollars to fund a 700 dollar salary increase for teachers. In eight of the last nine years teachers have received substantial increases.

In 1960, the average annual salary for teachers in Kentucky was 3,412 dollars. Today, it has grown to 6,491 dollars. Kentucky ranks No. 1 in the nation in percentage of increases in teachers salaries between 1959 and 1969.

I regret that adequate funds are not available for me to include in the budget an increase in teachers' salaries and at the same time offer a proposal for tax relief. However, this does not preclude an increase in teachers' salaries. If you, the legislature, in your collective judgment, assign this a higher priority than tax relief, then I shall not stand in your way.

In the event you do not see fit to exercise your option in favor of the school teachers, I am providing another opportunity for salary increases.

Realizing that the quality of our education is directly related to our financial ability to attract the best possible teachers, I am including in the budget bill a provision stipulating that if the actual revenue received by the state during the next fiscal year exceeds the estimate projected by the Department of Revenue and on which this budget is predicated, up to 9 million dollars of that excess, if any, will be allocated to increase teacher salaries.

Despite the fact that present revenue expectations force us to take this position, we have offered positive alternatives that clearly demonstrate our sincere concern and commitment to Kentucky's teachers.

HIGHER EDUCATION

Our state colleges and universities, like the elementary and secondary schools, are caught up in population and information explosions. The amounts of money in this budget for higher education reflect the particularly critical point at which our colleges and universities now find themselves.

Increased enrollment in the past decade, in some instances as much as four times greater, has forced accelerated construction programs upon the colleges and universities. Although it is not anticipated that the situation of the past decade will continue, this is the most critical budget for higher education in modern Kentucky history. This budget enables our universities to meet the challenge of ever-increasing enrollment with quality education.

Sympathetic to its acute financial position and recognizing its notable contribution to our largest metropolitan area, we recommend that you allocate 8 million, 200 thousand dollars to the University of Louisville. With the 1970-71 appropriation, support to this University has been increased by 300 per cent during my administration.

This budget contains 2 million, 500 thousand dollars to breathe life into the Northern Kentucky State College – the first four year state college established since 1922.

With the location of this well-deserved facility in one of our largest and most promising regions, we are a significant step closer to the goal of making four years of quality education readily available to all Kentuckians.

HUMAN RESOURCES

Our concern for those among us who are afflicted, infirmed, disadvantaged or whose lives are otherwise at odds with society is reflected in the appropriations we are recommending for the development of Kentucky's human resources:

. . .50 thousand dollars for an Early Childhood Development Project in Southeastern Kentucky;

. . .400 thousand dollars to strengthen the Community Services Program of the Department of Child Welfare;

. . .funds for the full operation of the Ridgewood Center for Girls at Louisville, the Northern Kentucky Diagnostic Center and boys camps at Pine Mountain and Green River;

. . .funds to establish a Chronic Pulmonary Disease Program and to establish clinics in Lexington and Louisville for the treatment of cystic fibrosis and chronic asthma;

. . .funds to operate the new first offender camp at Frenchburg and to increase guard salaries at other correctional institutions;

. . .500 thousand dollars to eradicate rubella or German measles among mothers-to-be;

. . .800 thousand dollars for expansion of the community mental health centers which reduce hospital population and more effectively treat patients closer to home;

. . .700 thousand dollars for more adequate staffing of Kentucky's fully-accredited system of mental hospitals;

. . .400 thousand dollars to begin operations at the 9 million dollar Somerset facility for retarded children;

. . .one million dollars for the full cost of nursing home care for disabled citizens.

I call to your attention the 9.4 million dollars in new money required for aid to the aged, blind, disabled and to dependent children. This brings the state appropriation to a record 56.5 million dollars.

The medicaid program initiated in 1962 required an appropriation of 1.1 million dollars. This budget requires a state appropriation for 36.2 million dollars.

Changes in federal regulations stifle our attempts to control expenditures in this area. For example, since you approved the 1968-1970 budget, changes in the medicaid formula have increased the state's share of the total cost from 19% to 26%. *This change resulted in a 4.3 million dollar program deficit in this fiscal year, which will require a supplemental appropriation. Fortunately, the economy and efficiency of this government enables us to meet this need.*

The new budget is adequate to meet the costs of the Medicaid program as it is now structured. However, at its present rate of growth in terms of benefits and eligibility, it can in the future place an extreme burden on the taxpayers. The next Governor and the next Legislature may be compelled to take drastic action if it continues to escalate, and I encourage you to direct serious attention to this program.

CAPITAL CONSTRUCTION

As I indicated earlier, this is the people's budget. Two years ago, the long neglect of state buildings and properties demanded immediate attention. Twenty-four million dollars in new construction funds from current revenue was used as a start toward reducing backlog of immediate needs in the areas of mental health, child welfare, corrections, vocational education and other needs.

I realize and regret that all the needs in these areas cannot be met during my Administration. Today, we can go to the people and invite their participation in determining the extent, the desire and the speed at which they wish to provide these badly needed buildings for the training, treatment and rehabilitation of those for whom we have and must accept responsibility.

I am today proposing for your consideration that a General Obligation Bond issue in the amount of 47.9 million dollars be submitted to the people of this state for their approval or disapproval at the next General Election.

You surely must realize that these desirable improvements cannot be made during my term of office, but my feelings, hopes and aspirations for this state and its people will not end with my term of office. As a responsible Governor, I must plan for the future as well as render services at the present. If the people approve this bond issue, proceeds would be used in the vital human areas that I have mentioned. A more detailed proposal will be presented later. Briefly, it will include:

____a vocational-technical institute for West Jefferson County;

____needed buildings at the School for the Deaf and the School for the Blind;

____a new correctional institution;

____a new diagnostic center for juvenile offenders;

____construction and necessary renovation of Kentucky's mental health hospitals.

A RESPONSIBILITY FOR BALANCE

I am confident that Kentucky can and will go forward into the 70's in prudent, well-measured, progressive strides if you choose to follow the path and the pace established by this budget.

In its present form, you will find that we have achieved a true balance on the outside between expenditures and receipts; you will also find that an inner balance has been achieved in the fair and even-handed distribution of funds among the many worthwhile services provided to the people. It is a balance created only after the needs of our citizens were carefully

weighed against their weariness of taxes and increased spending. The optimism and aspirations of this document have been tempered by the ability and the willingness of the people to pay the inflated costs of progress at this point in our economic history.

Throughout the budget you will find that it does not vary more than one and one half per cent from the distribution of funds in the last budget that won approval by a majority of 137 to 1.

In submitting it for your consideration, I stand ready to accept full responsibility for its excellence or its inadequacies. However, if there is reckless tampering and if political manuevering is allowed to destroy the delicate balance of this instrument, the responsibility shall pass from me to you.

If you choose to enact legislation creating new programs that require expenditures over the amount budgeted or not included in the budget, you have a moral if not a legal obligation to provide the necessary revenue.

Some states, specifically California, prohibit the enactment of any legislation requiring the expenditure of funds unless the source of such funds is provided within the measure or is provided in the budget.

Kentucky might do well to consider such a law in view of recent experience. I would cite, for example, the meat inspection law enacted two years ago.

This was desirable legislation, but the General Assembly did not provide funds to implement the program. Consequently, 90 thousand dollars had to be taken from the state's emergency fund. Today, that same program requires a budgetary appropriation of 12 times that amount . . . 1.2 million dollars.

Four years ago, the General Assembly created the Capitol Plaza. For the next biennium, this project requires 7.1 million dollars for debt service. In other words, the 1966 legislature left the people of Kentucky and us a 10 thousand dollar burden for every day of the next biennium. At all times, we must be aware of the long-range consequences of our every act.

This year, a milk inspection program will be proposed for your confirmation. This legislation would no doubt be helpful

to our farm economy, but like the meat inspection bill, it requires additional funds.

Today, many other deserving and worthwhile programs demand your consideration. With 18 million dollars in uncommitted revenue available for your disposal, you will be under tremendous pressure to provide funds for a multitude of projects that touch the lives and the hopes of many Kentuckians. I reiterate that if it is the collective judgment of this Assembly to use the 18 million dollars for all or a portion of these deserving projects and programs, I shall not oppose such action.

These requests must be weighed carefully because they come from vital segments of our society. For instance:

____Kentucky's independent colleges and universities have been rendering invaluable service to the Commonwealth since the beginning of its history. Now, they are requesting public aid. They will come to you with facts and figures that may be as convincing and a plan that may be as deserving of your attention and consideration as the plan presented by the University of Louisville two years ago.

Two years ago, by joint resolution, the General Assembly included the University of Louisville as a state institution for budgetary consideration. The 8.2 million dollars included in this budget does not meet their request and perhaps you will give further consideration to their requirements.

____The parochial schools, in educating a significant portion of our young people, have relieved to a great degree the burden on public schools. They now face enormous financial difficulties. Many already have closed their doors . . . and we have felt the impact of these closings in our public school system. Here is a matter that involves not only financial consideration but also constitutional issues of great concern to many.

____Throughout Kentucky we have courageous firemen and policemen who have requested state aid. These men are dedicated protectors of life and property. Frequently accused and often abused, underpaid and overworked, their lives in constant danger, they deserve encouragement.

____More effective regulation of the pollution of our air and the fouling of our streams requires more funds than are

available in this budget. Private enterprise and other governmental agencies offer high salaries, making it difficult for us to obtain technicians and highly skilled experts, as well as scientific personnel necessary for effective pollution control.

New federal programs have been and will be adopted. No doubt, these will require additional state funds. Provision for this crucial expenditure is made in the revenue sharing plan I have already outlined.

With the presentation of this document, we now move on to another phase of the complex and sometimes controversial process of enacting the Executive Budget. It is reported that historically, the Legislature at its second session during any Administration finds great sport in defying the Governor and trying to defeat his programs. Surrounding this session have been rumors and overt suggestions that harmful legislation might be enacted simply to test the executive veto and attempt to place the Governor in an embarrassing position.

My only reply is that rather than use the Governor's veto on such legislation, the people's veto, to be stamped on perpetrators of such damaging schemes by an aroused voting public, might far better serve Kentucky's true purpose.

If given a choice, I prefer to spend the next two years carrying out the constructive good this Legislature can accomplish for Kentucky rather than being forced to use that time to point the finger of blame in a state perishing amid the ruins of unrealized opportunity and unfulfilled destiny.

I am confident that this will not be Kentucky's fate. This is not blind optimism. It is engendered by the fact that perhaps never before in the history of our Commonwealth have so many of such talent and so much to offer sat together in these legislative halls. In carefully examining the backgrounds, qualifications and accomplishments of each member of this Assembly, one cannot help but be encouraged that the army of light and not the army of darkness shall here prevail.

It has been said and written by the public news media that you and I must do battle.

But, were we both not sent here to serve the people?

And did we both not take the same oath?

Do we both not have a responsibility to serve all of the people, regardless of political persuasion or personal ambition?

How can we do battle if we are united, as we should be, in that common cause of public good?

On Inauguration Day, 1967, I said: "There are those who have said — and others who will say — that we shall have a divided house and that a house divided against itself cannot stand. This need not be true. It will not be true if each of us who is charged with public responsibility keeps firmly in his mind that there is a common touchstone . . . a mutual meeting place where they and all Kentuckians may assemble without division. We may meet . . . all of us . . . around the Altar of the Common Good and here we shall find the area of agreement to be very broad . . . the area of division to be very narrow and very selfish. Many times in the next four years we shall meet at this altar of common good to fulfill our public responsibility."

I said then and I repeat now:

"For my part, I shall extend the hand of friendship. It will be offered in good faith and in good will to all who will accept it. It will be a firm hand and if it is rejected for selfish reasons, I shall at once appeal to the court of last resort . . . the people of my state. I shall not indulge in . . . nor shall I permit . . . partisan politics to impede the programs and the progress that we shall undertake."

Representative McBrayer moved that the Joint Session be dissolved. Agreed.

The Speaker resumed the Chair and called the House to order.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Education: **HB 8.** (Room 401, January 8, 1970, 11:00 a.m.)

Highways and Traffic Safety: **HB 7.** (Room 402, January 8, 1970, 10:00 a.m.)

Health and Welfare: **HB 3, HB 12.** (Room 402, January 8, 1970, 10:00 a.m.)

The Speaker announced a meeting of the Committee on Appropriations and Revenue, Room 327, January 8, 1970, 9:30 a.m.

Representative McBrayer moved that members who desire to co-sponsor bills already introduced be permitted to do so. Agreed.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Thursday, January 8, 1970.

On the roll call the vote was yeas 75—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Hershel Brown, Bruce, Carroll, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kidd, King, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McKinney, McNamara, May, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

The motion to adjourn was adopted.

THURSDAY, JANUARY 8, 1970

THIRD LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Dr. James A. Shepherd of the First United Methodist Church, Frankfort.

The roll was called. All present except Representatives Bleemel, E. G. Brown, Chapman, Collins, McGill and Siemens.

Representative McNamara moved that absent members be granted leave of absence. Agreed.

Representative Isler moved that the reading of the Journal of January 7, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 19, by Representative Graves: AN ACT relating to levee districts.

HB 20, by Representatives Kidd, Miller, Huff, Hughes, Priddy, Yocom, Head, Ray, Siemens, Blume, W. J. Reynolds, McNamara, Isler, Nett, Kleier and Mershon: AN ACT relating to revenue and taxation.

HB 21, by Representatives Yocom, Priddy, Siemens, Wright and Durham: AN ACT relating to auxiliary police.

HB 22, by Representatives DeMarcus, Bruce and Kessinger: AN ACT relating to production credit associations.

HB 23, by Representatives Conn, Hughes, Graves, Yocom and Paxton: AN ACT relating to financial disclosure by legislators.

HB 24, by Representatives Freeman, Salyers and Donnermeyer: AN ACT relating to the Motor Vehicle Usage Tax.

Reference of Bills and Resolutions

The Committee on Committees referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 13, HB 14** and **HB 18.**

Cities: **HR 6.**

Highways and Traffic Safety: **HB 15.**

Judiciary: **HB 17.**

State Government: **HB 16, HR 5** and **HR 7.**

Report of Committees

The Committee on Health and Welfare reported **HB 3** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 3, AN ACT relating to the Kentucky State Air Pollution Control Commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 224.420 is amended to read:

(1) There is hereby created in the Department of Health, a Kentucky State Air Pollution Control Commission which shall consist of five governmental members and *eight* [six] public members appointed for terms of four years each by the Governor.

(2) (a) The governmental members shall be the Commissioner of Health, the Commissioner of Commerce, the Attorney General, the Commissioner of Natural Resources, and the Commissioner of Agriculture.

(b) Of the *eight* [six] public members, *three* [one] shall be [a] members of the general public. Of the remaining five members, three members shall be representative of industry and shall be experienced and competent in matters of air pollution control. At least one of the three members shall be a licensed professional engineer, trained and experienced in matters of air pollution control. The two remaining members shall be 1. representative of an air pollution control district, as created and defined in KRS Ch. 77, and 2. a representative from the Uni-

versity of Kentucky, College of Engineering, experienced and competent in matters of air pollution control.

(c) Vacancies shall be filled for the unexpired portion of any term in the same manner as an original appointment. Each of the officers of the Commonwealth hereby made a member of the commission, may, by written order filed with the secretary of the commission, designate a deputy in his department to serve in his stead and to perform his duties as a member of the commission in his absence.

(3) No salary or other compensation shall be allowed any member of the commission for services as such member but each member may be reimbursed for actual and necessary expenses incurred in the performance of its official duties.

(4) The commission shall select one of its members as chairman and another as vice-chairman at its first regular meeting in the calendar year. The chief engineer of the State Department of Health shall be the executive secretary of the commission and as such its chief executive officer. The Commissioner of Health shall employ such technical and other personnel as may be required in order to carry out the provisions of KRS 224.310 to 224.460 and 224.991 and the policies of the commission, and may define their powers and duties, and fix their compensation subject to the provisions of KRS Chapter 18. The executive secretary may perform, in the name of the commission, such functions and duties and may exercise such authority of the commission as the commission may delegate to him. The executive secretary, with the approval of the commission, may designate one or more assistants to act in his place when absent or unable to perform his duties.

(5) The commission may request and receive the assistance of any state or municipal educational institution, experiment station, laboratory, or other agency when it is deemed necessary or beneficial by the commission to carry out the provisions of KRS 224.310 to 224.460 and 224.991.

(6) The commission shall hold regular meetings at least once in every three months, the time and place of which shall be determined by the commission. Special meetings may be called by the chairman or by three members of the commission

by delivery to the office of each member of the commission of a written notice thereof at least five days in advance of the date of any such meeting. *Nine* [Seven] members of the commission shall constitute a quorum at any meeting. The commission shall establish bylaws for the conduct of its meeting and shall keep an accurate record of all its proceedings.

The Speaker vacated the Chair.

Speaker Pro Tem Blume presiding.

The Speaker resumed the Chair.

Announcements

The Speaker announced the following Committee meetings:

Appropriations and Revenue, Room 327, January 9, 1970, 9:00 a.m.

Cities – Room 401, January 9, 1970, 9:30 a.m.

Elections and Constitutional Amendments, Room 402, January 9, 1970, 10:00 a.m.

Highways and Traffic Safety, Room 403, January 9, 1970, 10:00 a.m.

Judiciary, Room 402, January 8, 1970, on adjournment.

Agriculture and Natural Resources, Room 401, January 8, 1970, on adjournment.

Representative Roberts moved that the rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions (Cont.)

HB 25, by Representatives Roberts, Murphy, King, Ruh, Schmidt, Donnermeyer, Isler, Mershon and Louden: AN ACT relating to community colleges.

HB 26, by Representatives Roberts, Murphy, Ruh, Schmidt, Donnermeyer, Reed, Isler, Mershon, Louden and King: AN ACT relating to appointment of faculty and student non-voting

members to the board of Regents of the Northern Kentucky State College.

Representative McBrayer moved that the House return to announcements. Agreed.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Highways and Traffic Safety: **HB 7,** January 13, 1970.

Cities: **HB 10, HB 9, HR 6.**

Appropriations and Revenue: **HB 13.**

Highways and Traffic Safety: **HB 15,** January 9, 1970.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Friday, January 9, 1970.

On the roll call the vote was yeas 59—Alexander, Allen, Arnett, Baker, Blume, Blythe, Archie Brown, Carroll, Carter, Clarke, Conn, Curlin, James A. Davis, Walter Davis, Donnermeyer, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Louden, Lovins, McBrayer, McBride, McCann, May, Mershon, Mitchell, Murphy, Nett, Parish, Paxton, Peak, Prather, Priddy, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Tobin, Van Horn, West, Glenn White, Wible, Wright, Wyatt, Yocom. Nays 6—Kessinger, King, R. Reynolds, Roberts, Schmidt, Siemens.

The motion to adjourn was adopted.

FRIDAY, JANUARY 9, 1970

FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Dr. Robert J. Laughlin of the First Presbyterian Church, Frankfort.

The roll was called. All present except Representatives Bartley, Bleemel, E. G. Brown, Bruce, Durham, McGill, Massey, Sharpe and G. White.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 8, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 27, by Representative Louden: AN ACT proposing an amendment to Section 253 of the Constitution of Kentucky, relating to penitentiary prisoners.

HB 28, by Representatives Louden, Ray, Wells, Murphy, Keith, Alexander, Massey and McKinney: AN ACT proposing an amendment to Section 31 of the Constitution of Kentucky, relating to terms of members of the House of Representatives of the General Assembly of the Commonwealth of Kentucky.

HB 29, by Representatives Carroll, McBrayer, Rickert, Clarke, W. J. Reynolds, Carter, Wyatt, Simmons, Mitchell, Huff, Hollowav, Lewis and Chapman: AN ACT relating to the regulation of bail bondsmen.

HB 30, by Representatives Freeman and Pollitte: AN ACT relating to exempting from the sales tax food purchased by individuals on limited or fixed incomes.

HB 31, by Representative Wright: AN ACT relating to qualifications of planning commissions of counties of 300,000,

HB 32, by Representatives Allen, Salyers, Deskins, May and Van Horn: AN ACT relating to transactions in firearms.

HB 33, by Representatives Salyers, Allen, Arnett, Ray, McKinney, Collins and T. P. Reynolds: AN ACT relating to licensing of hospitals.

HB 34, by Representatives Hinkle, Baker, A. Brown, H. Brown, W. F. Davis, Collins, Deskins, Durham, Floyd, Freeman, Haney, Pollitte, J. O. Hardin, L. T. Hardin, Keith, Kessinger, Knuckles, McKinney, R. Reynolds, T. P. Reynolds, Salyers, West, Seimens, Simmons, Wenz, G. White and Wright: AN ACT relating to prohibited conflicts of interest of public officers and employes.

HB 35, by Representative Lewis: AN ACT relating to the right of appeal and bail for adult defendants in juvenile sessions of county court.

HR 8, by Representative McNamara: A RESOLUTION adjourning in honor of the memory of H. W. "Wathen" Tobin.

HB 36, by Representative Lewis: AN ACT relating to conveyances.

HB 37, by Representative Lewis: AN ACT relating to bonding engineers for water districts.

Reference of Bills and Resolutions

The Committee on Committees referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 20.**

Banking and Insurance: **HB 22.**

Cities: **HB 21.**

Counties and Special Districts: **HB 19.**

Education: **HB 25, HB 26.**

Public Utilities and Transportation: **HB 24.**

State Government: **HB 23.**

Report of Committees

The Committee on Cities reported **HR 6** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 6, A JOINT RESOLUTION directing the Legislative Research Commission to undertake a comprehensive study of the laws governing cities.

WHEREAS, the many problems facing Kentucky municipal governments require authority for independent action to the greatest extent possible, under the most modern controlling legislation possible; and

WHEREAS, the present Kentucky law on cities is of ancient vintage suited to a less hectic environment, with many incongruities and inconsistencies among the classes of cities; and

WHEREAS, one of our largest cities soon may be faced with becoming Kentucky's second city of the first class, subject to statutes designed specifically for another city; and

WHEREAS, it is not now nor has it ever been politically or practically feasible for the General Assembly to govern cities with myriad specific provisions enacted in Frankfort;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission be directed to undertake a comprehensive study of the statutes pertaining to Kentucky cities, and make recommendations to the 1972 General Assembly for their improvement along the following lines:

1. To provide greater local control over problems principally local in nature; to enable the General Assembly to provide, where constitutionally feasible, the broad authority necessary to permit local communities to decide which laws best fit their particular circumstances;

2. To modernize those laws now out of date or irrelevant to the needs of contemporary city dwellers; and

3. To remove the incongruities existing among statutes pertaining to cities of different classes.

Section 2. For purposes of this study the Legislative Research Commission is authorized to create an advisory committee composed of representatives of the academic community, municipal and county officials, and public-minded citizens. This advisory committee shall advise and give counsel to the Legislative Research Commission, and shall be selected with the advice of the Chairman of the Interim Committee on Cities for the 1970-1972 biennium.

The Committee on Highways and Traffic Safety reported **HB 15** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar:

HB 15, AN ACT relating to chauffeurs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 281.726 of the Kentucky Revised Statutes is amended to read as follows:

(1) No owner or operator of a motor vehicle used for hire shall permit such motor vehicle to be operated upon the highways unless the driver or chauffeur thereof has obtained, and from time to time has renewed, in accordance with the requirements of the Department of Public Safety, a certificate of the Department of Public Safety to the effect that the driver or chauffeur has met its requirements with respect to his health, vision, sobriety, intelligence, care, ability and experience.

(2) No owner or operator of a motor vehicle used for hire shall permit such motor vehicle to be operated upon the highways unless the driver or chauffeur thereof is at least eighteen years of age [where the vehicle is transporting property, or at least twenty-one years of age where the vehicle is transporting passengers].

(3) The circuit clerk of each county shall:

(a) Act for the Department of Public Safety for the purpose of issuing certificates and badges referred to in subsections (1) and (4) of this section;

(b) Issue a certificate, when he has determined that the applicant has fully complied with the law governing applications;

(c) Report to the Department of Public Safety not later than the week following that in which the certificates were issued;

(d Keep adequate records of all moneys collected and remitted to the Department of Revenue;

(e) Keep in his office at all times available to the Department of Public Safety a record of all certificates issued in his county.

(4) The certificate shall cost two dollars, of which twenty-five cents shall be retained by the circuit court clerk to defray expenses of issuing the certificate and maintenance of records, and the remaining one dollar and seventy-five cents shall be paid into the State Treasury and credited to the State Road Fund. The holder of such a certificate, at all times when operating a motor vehicle for hire, shall have the certificate in his possession, and shall wear a badge, to be issued by the circuit clerk, indicating that he is a certified driver or chauffeur.

(5) The department may, for good cause, upon complaint or upon its own motion revoke or suspend any such certificate, and said person shall be entitled to a hearing before the Department of Public Safety.

Calendar

HB 3 taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Representative McBrayer moved that a roll call be taken to show additional sponsors on **HR 8.** Agreed.

The following members requested that their names be added as sponsors of **HR 8:**

Representatives—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Hershel Brown, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, John E. White, Wible, Wright, Wyatt, Yocom.

Representative McBrayer moved the adoption of **HR 8.** Agreed.

HR 8, A RESOLUTION adjourning in honor of the memory of H. W. "Wathen" Tobin.

WHEREAS, the late lamented H. W. "Wathen" Tobin served in this body with such distinction as Representative of the 18th District, and

WHEREAS, Representative Tobin died a year ago in the midst of his term; and

WHEREAS, his memory is held in the highest regard and respect by this House;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That when this House adjourns today, January 9, 1970, it do so in memory of our late colleague, H. W. "Wathen" Tobin.

Section 2. That the Clerk of this House be directed to present a copy of this Resolution to Representative Tobin's widow and successor, Mrs. H. W. "Marjorie" Tobin.

Announcements

HB 12 withdrawn from consideration by the Committee on Health and Welfare.

The Committee on Appropriations and Revenue scheduled hearing on budget, Monday, January 12, 1970, on adjournment.

Representative McBrayer moved that the House adjourn until 3:00 p.m., Monday, January 12, 1970.

On the roll call the vote was yeas 68—Alexander, Allen, Arnett, Baker, Blandford, Archie Brown, Hershel Brown, Carroll, Carter, Clapp, Clarke, Conn, Curlin, James A. Davis, DeMarcus, Deskins, Donnermeyer, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Ray, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Simmons, Stuart, Tobin, Van Horn, Wenz, West, Wheeler, John E. White, Wible, Wright, Wyatt, Yocom. Nays 4—Blythe, Keith, Kessinger, Schmidt.

The motion to adjourn was adopted.

MONDAY, JANUARY 12, 1970

SIXTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Dr. Robert J. Laughlin of the First Presbyterian Church, Frankfort.

The roll was called. All present except Representatives Bleemel, Chapman, Floyd, Keen, McGill and Roberts.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Reprsentative McNamara moved that the reading of the Journal of January 9, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 38, by Representative Ruh: AN ACT relating to recanvassing of votes.

HB 39, by Representative Hinkle: AN ACT relating to income tax.

HB 40, by Representative Hinkle: AN ACT relating to income tax.

HB 41, by Representative Rickert: AN ACT relating to adoption of county budgets by fiscal courts.

HB 42, by Representative Hinkle: AN ACT relating to minimum salaries of members of fiscal courts.

HB 43, by Representatives Wyatt, Rickert, Chapman and Lindsay: AN ACT relating to Variable Tax Credits and rebates.

HB 44, by Representative Mitchell: AN ACT relating to conditional use permits.

HB 45, by Representative Blume: AN ACT relating to divorce.

HB 46, by Representatives Hughes, Kleier, Kidd, Ray, Wenz, Nett and Miller: AN ACT relating to unemployment compensation.

Reference of Bills and Resolutions

The Committee on Committees referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 30.**

Business Organizations and Professions: **HB 37.**

Cities: **HB 31.**

Elections and Constitutional Amendments: **HB 27, HB 28.**

Health and Welfare: **HB 33.**

Judiciary: **HB 29, HB 35, HB 36.**

State Government: **HB 32, HB 34.**

Calendar

HB 15 and **HR 6** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

HR 9, by Representatives Ruh, Schmidt, Mershon and Donnermeyer: A RESOLUTION honoring Clay Wade Bailey.

The Speaker announced that **HR 9** would be referred to the Committee on Committees.

Announcements

The Clerk announced the following bills were posted for consideration:

Banking and Insurance: **HB 22.**

HB 25, HB 26: Education.

HB 21, HB 31: Cities.

The oath of office was administered to Representative Edward G. Brown, District 21, by Judge John S. Palmore of the Court of Appeals of Kentucky. Representative Brown presented his certificate of election.

The oath of office was administered to Tilson Westley Eastridge, who was appointed to the office of Cloak Room Keeper of the House of Representatives for the 1970 session, by Judge Samuel Steinfeld of the Court of Appeals of Kentucky.

The oath of office was administered to Ray Murphy, who was appointed to the office of Janitor of the House of Representatives for the 1970 session, by Judge Scott Reed of the Court of Appeals of Kentucky.

Report of Committees

The Committee on Rules reported **HB 3** has been posted for passage in Orders of the Day.

Orders of the Day

HB 3 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 91—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays—0.

HB 3 was passed and the title agreed to.

Representative Blume moved that the vote by which **HB 3** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Announcements (Cont.)

The Speaker announced the following Committee meetings:

Cities, Room 401, January 13, 1970, 10:00 a.m.

Appropriations and Revenue, Room 327, January 12, 1970, on adjournment.

Labor and Industry, Room 401, January 13, 1970, 9:30 a.m.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Tuesday, January 13, 1970.

On the roll call the vote was yeas 88—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White. Wible, Wright, Wyatt, Yocom. Nays 1—Siemens.

The motion to adjourn was adopted.

TUESDAY, JANUARY 13, 1970

SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Dr. Robert J. Laughlin of the First Presbyterian Church, Frankfort.

The roll was called. All present except Representatives Arnett, Bleemel, McGill and Reed.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 12, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 47, by Representative Keene: AN ACT amending Section 244.370 of the Kentucky Revised Statutes.

HB 48, by Representatives West, Huff, Keith, Durham, Sharpe, H. Brown, Collins, Van Horn and Hinkle: AN ACT relating to public assistance.

HB 49, by Representatives Yocom, Head, Siemens, Priddy, Nett, Kleier and Ray: AN ACT relating to group insurance benefits for employes of district boards of education.

HB 50, by Representatives Clarke, DeMarcus, G. White and Osborne: AN ACT relating to changes in the Thirteenth and Twenty-fifth Judicial Districts and creating a new judicial district composed of Mercer and Boyle Counties.

HB 51, by Representative Massey: AN ACT relating to public offenses.

HB 52, by Representatives Allen, Hinkle, Salyers, Deskins, May, Van Horn, Rattliff, L. T. Hardin, Durham, McNamara, Arnett and T. P. Reynolds: AN ACT relating to the Teacher's Retirement System.

HB 53, by Representative Head: AN ACT relating to grain dealers.

HB 54, by Representative Lindsay: AN ACT relating to judicial districts.

HB 55, by Representative Wright: AN ACT relating to voter registration in counties containing cities of the first class.

HB 56, by Representatives Collins, Durham, Keith, Salyers, Donnermeyer, Pollitte, Graves and Freeman: AN ACT relating to telephone service.

HB 57, by Representative Isler: AN ACT relating to schools.

HB 58, by Representative Isler: AN ACT relating to Sales Tax Exemptions.

HB 59, by Representatives Salyers, Hinkle and L. T. Hardin: AN ACT relating to Teachers' Tenure.

HB 60, by Representatives Hinkle, Salyers, Deskins and L. T. Hardin: AN ACT relating to leave of absence contracts between district boards of education and certified employes.

HB 61, by Representatives Hinkle, McKinney, Salyers, L. T. Hardin, Durham, Sharpe and Deskins: AN ACT relating to personal leave for teachers.

HB 62, by Representative Lovins: AN ACT relating to members of the common council in cities of the third class.

HB 63, by Representative Rickert: AN ACT relating to Professional Engineers and Land Surveyors.

HB 64, by Representatives Ray, Nett, Priddy, Kleier, Blandford, Hughes, Floyd, H. Brown, Mershon, Keith, Kidd, Siemens, Salyers, Yocom, Carter, Allen, Chapman, Ruh, Conn, Miller, Graves, Roberts, Wible, Murphy, Durham, A. Brown, E. G. Brown, Isler, Blume and McBride: AN ACT relating to the creation of the Commission on Fire Protection Personnel Standards and Education.

HB 65, by Representatives Swinford and McBrayer: AN ACT relating to compensation of certain county officials.

HB 66, by Representatives Baker, Deskins, Huff, Simmons, West, McNamara, Hinkle, Louden, Wells and Carter: AN ACT relating to school attendance.

HB 67, by Representatives Blume, W. J. Reynolds, Blandford, Yocom, Nett, Parish, Donnermeyer, Graves, Siemens and Wible: AN ACT relating to workmen's compensation.

HB 68, by Representatives Blume, W. J. Reynolds, Clapp, Lewis, Blandford, Yocom, Nett, Parish, Lindsay, Graves, Siemens, Donnermeyer, and Wible: AN ACT relating to workmen's compensation.

HR 11, by Representatives Ruh, Hughes, Donnermeyer, Knuckles, McNamara, Stuart, G. White, J. E. White and Clapp: A CONCURRENT RESOLUTION directing the Legislative Research Commission to make a study of the election laws of the Commonwealth of Kentucky, and to submit a report of its findings and recommendations to the 1972 General Assembly.

HR 12, by Representatives Blume, Conn and Yocom: A RESOLUTION saluting the Civil Liberties Union.

HB 69, by Representatives Siemens, Nett, Kleier, Miller, Yocom, Priddy, Ray and Conn: AN ACT relating to teachers.

Reference of Bills and Resolutions

The Committee on Committees referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 39, HB 40, HB 43.**

Cities: **HB 44.**

Counties and Special Districts: **HB 41.**

Elections and Constitutional Amendments: **HB 38.**

Judiciary: **HB 45.**

Labor and Industry: **HB 46.**

State Government: **HB 42.**

Motions, Petitions and Communications

Representative Chapman requested that he be permitted to vote "aye" on the passage of **HB 3.** Agreed.

Representative Roberts requested that he be permitted to vote "aye" on the passage of **HB 3.** Agreed.

HR 10, by Representatives Osborne, G. White, Clarke, Blandford, Keith, Ratliff, Bartley, Durham and Baker: A CONCURRENT RESOLUTION endorsing federal price supports for burley tobacco.

The Speaker announced that **HR 10** would be referred to the Committee on Committees.

Senate Message

Announcing passage of **SB 5.**

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

State Government: **HR 5, HR 7, HB 16.**

The Clerk announced the cancellation of the Public Utilities and Transportation Committee meeting scheduled for 9:30 a.m., Wednesday, January 14, 1970.

The Speaker announced the following Committee meetings:

Meeting of Hearing Committee on Election Contest, 10:00 a.m., January 14, 1970, Room 403.

The Speaker announced the following schedule of meeting of committees:

Tuesday, January 13, 1970

Room 401	Labor	9:30 a.m.
Room 401	Cities	11:00 a.m.
Room 402	Health	9:30 a.m.

Room 402	Elections and Constitutional Amendments	11:00 a.m.
Room 402	Appropriations and Revenue	On Adjournment
Room 403	Highways and Traffic Safety	On adjournment

Wednesday, January 14, 1970

Room 401	Agriculture and Natural Resources	10:00 a.m.
Room 402	Public Utilities and Transportation	9:30 a.m.
Room 402	Banking and Insurance	11:00 a.m.
Room 403	State Government	11:00 a.m.

Thursday, January 15, 1970

Room 401	Education	10:00 a.m.
Room 402	Judiciary	9:00 a.m.
Room 402	Counties and Special Districts	11:00 a.m.
Room 403	Business Organizations and Professions	11:00 a.m.

The Speaker announced a meeting of the Committee on Rules for 12 noon, Wednesday, January 14, 1970, in the Speaker's office.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Wednesday, January 14, 1970.

On the roll call the vote was yeas 82—Alexander, Allen, Arnett, Baker, Blandford, Blythe, Edward G. Brown, Hershel Brown, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May,

Mershon, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 2—King, Siemens.

The motion to adjourn was adopted.

WEDNESDAY, JANUARY 14, 1970

EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Dr. Robert J. Laughlin of the First Presbyterian Church, Frankfort.

The roll was called. All present except Representatives Bleemel, McGill, Stuart and Wenz.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 13, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 70, by Representative Roberts: AN ACT relating to judicial districts.

HB 71, by Representatives Donnermeyer, Murphy, J. E. White, Louden and Roberts: AN ACT relating to deadly weapons.

HB 72, by Representatives Lewis, Carter, Keene, Wright, Keith, Alexander, Bruce, and J. O. Hardin: AN ACT relating to motor vehicles and taxes thereon.

HB 73, by Representatives Allen, Deskins, May, Van Horn and Salyers: AN ACT relating to public assistance.

HB 74, by Representatives Allen, McNamara, Salyers, Arnett, Deskins, May and Van Horn: AN ACT relating to interstate agreement on qualification of educational personnel.

HB 75, by Representatives Kidd, Hughes, Miller, Priddy, Yocom, Head, Siemens, Kleier, Ray and Blume: AN ACT relating to exempting soldiers' and sailors' combat pay from Kentucky income tax.

HB 76, by Representatives Kidd, Hughes, Priddy, Dorris, Nett, Kleier, Ray, Yocom and Siemens: AN ACT relating to the Kentucky Higher Education Assistance Authority.

HB 77, by Representatives Murphy, Donnermeyer, J. E. White, Clapp, Mershon, Ruh, Yocom and Siemens: AN ACT relating to witnesses' fees.

HB 78, by Representatives Murphy, Donnermeyer, J. E. White, Ray, Mershon, Ruh, Nett and Kleier: AN ACT relating to benefits for death of police officers.

HB 79, by Representatives Murphy, Donnermeyer, J. E. White, Mershon, Ruh and Bartley: AN ACT relating to revenue and taxation.

HB 80, by Representative Swinford: AN ACT relating to medical treatment under workmen's compensation.

HB 81, by Representative Swinford: AN ACT relating to county commissioner districts.

HB 82, by Representative Swinford: AN ACT relating to pay of jurors.

HB 83, by Representatives Graves, Carter, Mershon, A. Brown, Isler, Ray and Chapman: AN ACT relating to fire departments in cities of the third class.

HB 84, by Representatives Graves, Ray, Yocom, Mershon, Miller, Carter and Chapman: AN ACT relating to police and fire fighters in all classes of cities.

HB 85, by Representatives Nett, Kleier, Yocom, McBride, Lindsay, Keene, Tobin, Kenton, Chapman, Ray, Miller, Freeman, Hughes and Salyers: AN ACT relating to the fire and police protection of all classes of cities.

HB 86, by Representatives Nett, Kleier, Yocom, McBride, Lindsay, Tobin, Chapman, Ray, Miller, Freeman, Salyers and Hughes: AN ACT relating to crime.

HB 87, by Representative Hughes: AN ACT to amend KRS 426.525 to permit a mortgagee to preserve abandoned property.

HB 88, by Representatives Kidd, Blythe, Isler, Yocom, R. Reynolds, Ray, Mershon, Miller, Nett, Priddy, Hughes and Blume: AN ACT relating to credit unions.

HB 89, by Representatives Kidd, Peak, R. Reynolds, Ray, Mershon, Priddy and Nett: AN ACT relating to housing.

HB 90, by Representatives Baker, Durham, May and J. O. Hardin: AN ACT relating to judicial sales.

HB 91, by Representatives Miller, Hughes, Yocom and Mershon: AN ACT relating to activity on Sunday.

HB 92, by Representatives Kenton, Peak, McCann and Van Horn: AN ACT relating to state parks.

HB 93, by Representatives Curlin, Swinford and Conn: AN ACT relating to political parties.

HB 94, by Representatives Graves and Carter: AN ACT relating to sales tax on Utility Gross Receipts License Tax.

Senate Message

Announcing passage of **SR 9.**

Reference of Bills and Resolutions

The Committee on Committees referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 53, HR 10.**

Appropriations and Revenue: **HB 58, SB 5.**

Business Organizations and Professions: **HB 63.**

Cities: **HB 62.**

Counties and Special Districts: **HB 65.**

Education: **HB 49, HB 52, HB 57, HB 59, HB 60, HB 61, HB 66, HB 69.**

Elections and Constitutional Amendments: **HB 55, HR 11.**

Health and Welfare: **HB 48, HB 64.**

Judiciary: **HB 50, HB 51, HB 54.**

Labor and Industry: **HB 47, HB 67, HB 68.**

Public Utilities: **HB 56.**

Report of Committees

The Committee on Appropriations and Revenue reported **HB 13** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 13, AN ACT relating to budget and financial administration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 45.060 is amended to read:

The Department of Finance shall prescribe the forms to be used by the budget units in submitting their budget estimates and requests for appropriations in accordance with the provisions of this chapter, and shall prescribe such rules and regulations as it deems necessary for the guidance of officials in preparing such budget estimates and requests. On or before October 15 of each odd-numbered year, the Department of Finance shall send to the administrative head of each budget unit at least *three* [two] complete sets of the prescribed forms on which budget estimates and requests for appropriations for the next two fiscal years are to be submitted, one copy of the complete statement of the expenditures of the budget unit as furnished by the Department of Finance to aid the administrative head in preparing his estimates and statements, and instructions as to the preparation of each of the required statements.

Section 2. KRS 45.070 is amended to read:

The head of each budget unit, not later than November 15 of each odd-numbered year, shall submit to the Department of Finance *and to the Legislative Research Commission* estimates

of the financial requirements and receipts of his budget unit for the next two fiscal years, on the forms and in the manner prescribed by the Department of Finance, with such explanatory data as is required by the department and such additional information as the head of the budget unit wishes to submit. The estimates so submitted shall bear the approval of the board or commission of each budget unit for which a board or commission is constituted.

The Committee on Banking and Insurance reported **HB 22** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 22, AN ACT relating to production credit associations.

WHEREAS, KRS 136.290 and KRS 136.300 provide separate tax treatment for savings and loan associations with KRS 136.070 excluding savings and loan associations from the license tax payable by corporations and KRS 141.040 excluding them from the income tax payable by corporations; and

WHEREAS, production credit associations in Kentucky have all retired their Class A stock held by the federal government so as to be no longer exempt from Kentucky taxes under the federal statutes pursuant to which they were chartered; and

WHEREAS, the production credit associations are similar in operation and function to savings and loan associations so as to warrant the same type of tax treatment,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 136 of the Kentucky Revised Statutes is created to read as follows:

(1) As used in this Act and unless a different meaning appears from the context, the term "production credit association" means a corporation organized and chartered pursuant to the provisions of Section 20 of that act of Congress known as the "Farm Credit Act of 1933," (Act June 16, 1933, ch. 98, §20, 48 Stat. 259), as amended, engaged in business in the State of Ken-

tucky, and not exempt by virtue of the laws of the United States from taxation by the State of Kentucky.

Section 2. Section 136.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every domestic savings and loan association *and every production credit association* making loans to members only shall, during January of each year, file with the Department of Revenue a report containing such information and in such form as the department may require.

(2) The department shall fix the total value, as of January 1 of each year, of the capital stock composed of shares of each savings and loan association, excepting the shares of borrowing members where the amount borrowed equals or exceeds the amount paid in by those members. The department shall immediately notify each association of the value so fixed.

Section 3. Section 136.300 of the Kentucky Revised Statutes is amended to read as follows:

(1) By July 1 succeeding the filing of the report provided for in KRS 136.290, each domestic savings and loan association *and each production credit association* shall pay directly into the State Treasury a tax of one dollar for each one thousand dollars paid in on its capital stock as fixed in KRS 136.290. The individual shareholders shall not be required to list their shares for taxation for any purpose. The association shall not be required to pay local taxes upon its capital stock, surplus, undivided profits, notes, mortgages or other credits, and the tax provided by this section shall be in lieu of all taxes for state purposes on property of the association. Failure to make reports and pay taxes as provided in this section and in KRS 136.290 shall subject the association to the same penalties imposed for such failure on the part of the other corporations.

(2) If a domestic savings and loan association *or production credit association* so elects, it may deduct the taxes imposed in subsection (1) of this section from the dividends paid or credited to a nonborrowing shareholder.

Section 4. Subsection (1) of Section 136.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) With respect to taxable years beginning after December 31, 1965, every corporation organized under the laws of this state, every corporation having its commercial domicile in this state, and every foreign corporation owning or leasing property located in this state or having one or more individuals receiving compensation in this state, except state and national banks and trust companies, building and loan associations organized under the laws of this state and under the laws of the United States and making loans to members only, *production credit associations,* insurance companies, including farmers' or other mutual hail, cyclone, windstorm or fire insurance companies, insurers and reciprocal underwriters, public service companies subject to taxation under KRS 136.120, and religious, educational, charitable and like corporations not organized or conducted for pecuniary profit, shall pay to the state an annual license tax of seventy cents on each one thousand dollars of the capital employed in the business as computed under the provisions of subsections (2) and (3) of this section.

Section 5. Section 141.040 of the Kentucky Revised Statutes is amended to read as follows:

Every corporation organized under the laws of this state, every corporation having its commercial domicile as defined in KRS 141.120(1)(b) in this state, and every foreign corporation owning or leasing property located in this state or having one or more individuals receiving compensation as defined in KRS 141.120(9)(b) in this state, except state and national banks and trust companies, savings and loan associations organized under the laws of this state and under the laws of the United States and making loans to members only, *production credit associations,* insurance companies, including farmers' or other mutual hail, cyclone, windstorm or fire insurance companies, insurers and reciprocal underwriters, and religious, educational, charitable and like corporations not organized or conducted for pecuniary profit, shall pay for each taxable year a tax to be computed by the taxpayer upon the taxable net income of the corporation. This tax shall be at the rate of five percent of the first twenty-five thousand dollars of the taxable net income and at the rate of seven percent of all in excess of twenty-five thousand dollars of the taxable net income of the corporation determined as provided in this chapter.

The Committee on State Government reported **HR 7** and **HR 5** with the expression of opinion that the same should pass.

HR 7, A RESOLUTION commending national, state and local Jaycees and establishing the week of January 18 to 24, 1970, as Jaycee Week.

WHEREAS, the United States Jaycees are this year celebrating their 50th anniversary; and

WHEREAS, the week of January 18 to 24 has heretofore been designated by the United States Jaycees as Jaycee Week; and

WHEREAS, this organization has rendered invaluable assistance and aid to the betterment of their communities and to the Commonwealth; and

WHEREAS, this organization, from its founding to the present day has rendered an invaluable service in providing a vehicle for young men between the ages of 21 and 35 in involvement in community affairs; and

WHEREAS, it is the sense of the House of Representatives of the Commonwealth of Kentucky to commemorate the 50th anniversary of the United States Jaycees in a special way;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

1. That special tribute is paid to the United States Jaycees, the Kentucky State Jaycees, and the one hundred twenty-three Jaycee local chapters of the Commonwealth on their Fiftieth Anniversary; and

2. That the week of January 18 to 24, 1970, is declared "Jaycee Week" in the Commonwealth of Kentucky.

HR 5, A RESOLUTION recognizing and commemorating the honor and prominence bestowed upon Kentucky by Edgar Allen Diddle.

WHEREAS, Edgar Allen Diddle, a native of Adair County,

and for many years a resident of Warren County, departed this life on January 2, 1970; and

WHEREAS, Coach Diddle did great credit to his community and to this Commonwealth over a career of 42 years in bringing 759 victories in basketball at Western Kentucky University; and

WHEREAS, across the land his teams were greeted with warmth and affection by the thousands who witnessed their prowess and the color with which he led; and

WHEREAS, but few Kentuckians throughout her history have brought to the Commonwealth the recognition, honor, esteem and affection accorded her through the efforts of this kindly gentleman;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky:

Section 1. That the achievements of Edgar Allen Diddle throughout his illustrious career be and they hereby are recognized by the House of Representatives of Kentucky, with all the esteem, honor and affection which its members can bestow.

Section 2. That a copy of this resolution be spread upon the Journal of the House of Representatives, and a copy delivered each to the Senate of Kentucky and to the family of Coach Diddle.

The Committee on State Government reported **HB 16** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 16, AN ACT relating to standard time in Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 2 of the Kentucky Revised Statutes is created to read as follows:

The Commonwealth of Kentucky is hereby exempted from Section 3 of the Federal Uniform Time Act of 1966 (Public Law 89-554 (1966); 80 Stat. 107; 15 U.S.C. § 260a) providing for the advancement of time during certain periods of each year, and

the entire Commonwealth (including all political subdivisions thereof) shall observe the standard time otherwise applicable under Sections 261 to 264 of Title 15 U.S.C. at all times hereafter.

Section 2. Because the time change required by the Federal Uniform Time Act of 1966 becomes effective in April, an emergency is declared to exist and this Act shall be in full force and effect from and after its passage and approval.

The Committee on Rules reported **HB 15, HR 6** and **HR 9** have been posted for passage in Orders of the Day.

Orders of the Day

HR 9 taken from Orders of the Day. Representative McBrayer moved that **HR 9** be placed upon its passage. Agreed.

Representative McBrayer moved the adoption of **HR 9.** Agreed.

HR 9, A RESOLUTION honoring Clay Wade Bailey.

WHEREAS, the Honorable Clay Wade Bailey has reported the news of Kentucky state government to the people of this Commonwealth since the memory of man runneth not to the contrary; and

WHEREAS, Clay Wade began collecting political news nearly forty-three years ago for the Courier-Journal; and

WHEREAS, he became political correspondent for the Kentucky Post in 1938; and

WHEREAS, over thirty years later he still writes regularly for the Kentucky Post and Times-Star, the successor to the Kentucky Post; and

WHEREAS, the excellence of this fine reporter has long been recognized by the newspaper readers of this Commonwealth; and

WHEREAS, the excellence of his fine eyesight has long been recognized, and feared, by public officials of this Commonwealth; and

WHEREAS, the general excellence of the man has resulted in his election to the Presidency of the Capitol Press Club; and

WHEREAS, it is the wish of the House of Representatives of this General Assembly to honor Clay Wade Bailey as an outstanding Kentuckian;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Wednesday, January 14, 1970, is hereby declared to be Clay Wade Bailey Day.

Section 2. That an invitation be and is hereby extended to the Honorable Clay Wade Bailey to address this Honorable House on January 14, 1970.

HB 15 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 91—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 3 — Freeman, Lindsay, Pollitte.

HB 15 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 15** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 6 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 92—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 1—Van Horn.

HR 6 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HR 6** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Announcements

The Speaker announced the following Committee meetings:

Education, Room 401, January 15, 1970, 10:00 a.m.

Judiciary, Room 402, January 15, 1970, 9:30 a.m.

Counties and Special Districts, Room 402, January 15, 1970, 11:00 a.m.

Business Organizations and Professions, Room 403, January 15, 1970, 11:00 a.m.

Joint Cities Committee meeting, Tuesday, January 20, 1970, Room 327, 3:00 p.m.

Joint House Committee on Health and Welfare and Senate Committee on Labor and Industry, Democratic Caucus Room, Friday, January 16, 1970, 9:00 a.m.

Committee on Rules meeting, January 15, 1970, on adjournment.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Thursday, January 15, 1970.

On the roll call the vote was yeas 80—Allen, Arnett, Baker, Blandford, Blume, Edward G. Brown, Hershel Brown, Carroll, Carter, Chapman, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Schmidt, Sharpe, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 3—Pollitte, Siemens, Yocom.

The motion to adjourn was adopted.

THURSDAY, JANUARY 15, 1970
NINTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Dr. Robert J. Laughlin of the First Presbyterian Church, Frankfort.

The roll was called. All present except Representatives Bleemel, McGill, Reed, R. Reynolds and J. White.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 14, 1970, be dispensed with and the same approved. Agreed.

Senate Message

The following communication was received from the Senate:

Senate Resolution 9 was inadvertently sent to the House. We respectfully request its return.

Representative McBrayer moved that **SR 9** be returned to the Senate. Agreed.

Representative McBrayer moved that the rules be suspended for the purpose of making a request. Agreed.

Representative McBrayer moved that the special committee on the election contest be permitted to meet during the session today. Agreed.

Introduction of Bills and Resolutions

HB 95, by Representatives Curlin, Rickert, Wyatt, Keene, Lindsay, Conn and McBride: AN ACT relating to legal holidays.

HB 96, by Representatives Lindsay, McBride and Curlin: AN ACT relating to crimes and punishments.

HB 97, by Representative Lindsay: AN ACT relating to civil service retirement pension funds in cities of the second and third classes.

HB 98, by Representative Lindsay: AN ACT relating to publication of ordinances.

HB 99, by Representative Lindsay: AN ACT relating to the recording of orders and judgments in the county court.

HB 100, by Representatives Hughes, Siemens, Yocom, Kleier, Priddy, Blume, Nett, Miller, Ray and Conn: AN ACT exempting food from the Kentucky sales tax.

HB 101, by Representatives Isler, Ruh and Mershon: AN ACT relating to absentee voting.

HB 102, by Representatives Keith and Keene: AN ACT to provide for inspection of the slaughter of poultry and rabbits and the processing of poultry and rabbits and poultry and rabbit products solely for the distribution in this Commonwealth.

HB 103, by Representative Clapp: AN ACT relating to insurance.

HB 104, by Representative Clapp: AN ACT relating to fees for registration and renewal of trade marks and service marks.

HB 105, by Representative Clapp: AN ACT relating to the reporting of vehicle accidents.

HB 106, by Representatives Graves, Chapman and Isler: AN ACT relating to fire fighters of cities of the second class.

HB 107, by Representatives Durham, May, McNamara, Kessinger, Carter, Head, H. Brown, A. Brown, Floyd, L. T. Hardin, Sharpe, Collins and Knuckles: AN ACT relating to garbage disposal systems in cities.

HB 108, by Representatives W. Davis and DeMarcus: AN ACT relating to primary elections.

HB 109, by Representatives Baker, Arnett and J. A. Davis: AN ACT relating to financial aid to water districts.

HR 13, by Representative Kidd: A RESOLUTION honoring the late Dr. Martin Luther King, Jr.

HR 14, by Representative Blythe: A RESOLUTION inviting John Y. Brown, Sr., to appear before the House of Representatives to present his traditional Lincoln Day address.

Reference of Bills and Resolutions

The Committee on Committees referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 92.**

Appropriations and Revenue: **HB 72, HB 73, HB 75, HB 78, HB 79, HB 84, HB 89, HB 94.**

Banking and Insurance: **HB 85, HB 88.**

Cities: **HB 83.**

Counties and Special Districts: **HB 81.**

Education: **HB 74.**

Elections and Constitutional Amendments: **HB 93.**

Health and Welfare: **HB 76.**

Judiciary: **HB 70, HB 77, HB 82, HB 86, HB 87, HB 90.**

Labor and Industry: **HB 80, HB 91.**

State Government: **HB 71.**

Report of Committees

The Committee on Rules reported **HR 7** has been posted for passage in Orders of the Day.

Calendar

HB 13, HB 16 and **HB 22** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

HR 13: A RESOLUTION honoring the late Dr. Martin Luther King, Jr.

WHEREAS, January 15 is the anniversary of the birth of the late Dr. Martin Luther King, Jr.; and

WHEREAS, throughout his life Dr. King exemplified the principles of adherence to law and of bettering the law through lawful change; and

WHEREAS, Dr. King has become the symbol to all Americans of the power of passive persuasion; and

WHEREAS, there is now before the Congress of the United States House Resolution 7703, to designate January 15 as a legal public holiday;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

1. That the House of Representatives of the Commonwealth of Kentucky endorses and urges the passage of House Resolution 7703 to establish January 15 as a legal holiday honoring Dr. Martin Luther King, Jr.

2. That the House of Representatives, when it adjourns on January 15, 1970, does so in memory of the late Dr. King.

3. That the chief clerk is directed to send a copy of this resolution to the President of the Senate of the United States, and to the Speaker of the House of Representatives of the United States.

Representative McBrayer moved the adoption of **HR 13.** Agreed.

Orders of the Day

Representative McBrayer moved that consideration of **HR 7** be deferred and that it retain its position in Orders of the Day. Agreed.

Announcements

Judiciary Committee meeting scheduled for January 16, 1970, cancelled.

Committee Chairmen will meet in Speaker's office on adjournment.

Representative McBrayer asked for the opinion of the House whether to convene at 10:00 a.m. or 1:00 p.m., Friday, January 16, 1970. The House agreed by voice vote to convene at 1:00 p.m. on Friday, January 16, 1970.

A meeting of the Committee on Rules is scheduled for 12:00 noon, Friday, January 16, 1970, in the Speaker's office.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Friday, January 16, 1970.

On the roll call the vote was yeas 59—Allen, Arnett, Baker, Blume, Blythe, Edward G. Brown, Hershel Brown, Carroll, Carter, Chapman, Clarke, Conn, Curlin, Walter Davis, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Haney, John O. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Keene, Keith, Kenton, Kidd, Kleier, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, Massey, May, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, T. P. Reynolds, W. J. Reynolds, Rickert, Salyers, Simmons, Tobin, Van Horn, Wenz, John E. White, Wible, Wyatt, Yocom. Nays 3—King, Ray, Siemens.

The motion to adjourn was adopted.

FRIDAY, JANUARY 16, 1970
TENTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Dr. Robert J. Laughlin of the First Presbyterian Church, Frankfort.

The roll was called. All present except Representatives Bleemel, Lewis, McGill, Mershon and J. White.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 15, 1970, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SB 4** and **SB 38.**

Introduction of Bills and Resolutions

HB 110, by Representatives Ray, Salyers, Isler, Chapman, Yocom, Keith, McKinney, A. Brown, Murphy and Ruh: AN ACT relating to railroads.

HB 111, by Representative Mitchell: AN ACT relating to the extension of veterans preference under the State Merit System for wives, widows, or mothers of certain living or deceased veterans who are seeking State employment.

HB 112, by Representatives Mitchell and Ray: AN ACT relating to civil liability for emergency care.

HB 113, by Representatives Kleier, Lovins, Carter, Nett, Siemens, Miller, Conn, Yocom, Priddy, Clarke, Freeman, and McBride: AN ACT relating to the time allowed for recanvassing votes.

HB 114, by Representative Ruh: AN ACT relating to the employment of the handicapped.

HB 115, by Representative Blume: AN ACT relating to mining.

HB 116, by Representative Blume: AN ACT relating to workmen's compensation.

HB 117, by Representatives Ray, Roberts, Yocom, Durham, Miller, Hughes, Isler, Kidd, Chapman, Mershon, Murphy, Blandford, Priddy, Kleier and Siemens: AN ACT relating to supplemental pay for fire fighters.

HB 118, by Representatives McNamara, May and Deskins: AN ACT relating to the illegal use of credit cards.

HB 119, by Representatives Yocom, Head, Carter, Hughes, Nett and Siemens: AN ACT relating to railroads.

HB 120, by Representatives Allen, Deskins and Salyers: AN ACT relating to pay of jurors.

HB 121, by Representatives Allen, Deskins and Salyers: AN ACT relating to revenue and taxation.

HB 122, by Representatives Allen and Deskins: AN ACT relating to school services.

HB 123, by Representatives W. J. Reynolds and May: AN ACT relating to county attorneys acting as counsel for water districts.

HB 124, by Representative Freeman: AN ACT relating to hospitalization of mental patients.

HB 125, by Representatives Curlin and G. White: AN ACT relating to justices of the peace.

HB 126, by Representatives Durham, Collins, H. Brown, Sharpe, Kenton and L. T. Hardin: AN ACT relating to teachers' retirement.

HB 127, by Representatives Kenton, Blume, Conn, Carroll, Wyatt, Peak, Blythe, McCann, Swinford, Curlin and Clapp: AN ACT relating to state archives and records.

HB 128, by Representatives Carter, Head, Van Horn, Lovins, Louden, Kidd, Wyatt, Kleier and Prather: AN ACT proposing an amendment to Section 99 of the Constitution of Kentucky relating to sheriffs.

HB 129, by Representatives King, Haney, Murphy and Donnermeyer: AN ACT relating to fees and costs in police courts.

HB 130, by Representatives King, Murphy and Donnermeyer: AN ACT relating to city civil service.

HB 131, by Representatives Priddy, King, Haney, Kleier, Nett, Ray, Ruh, Mershon, Conn, Hughes, Kidd, Chapman and Siemens: AN ACT relating to motor vehicles, trailers and semitrailers.

HB 132, by Representatives King, Haney, Kessinger, Murphy and Donnermeyer: AN ACT relating to repair, closing or demolition of unfit dwelling by cities and counties.

HB 133, by Representatives King, Haney and Kessinger: AN ACT relating to Financial Responsibility of Motor Vehicle Operators.

HB 134, by Representative King: AN ACT relating to wages and hours.

HB 135, by Representatives King, Haney, Murphy, Priddy and Donnermeyer: AN ACT relating to deductions from wages of employes.

HB 136, by Representatives King and Donnermeyer: AN ACT relating to railroads.

HCR 15, by Representative Mitchell: A CONCURRENT RESOLUTION requesting the Congress of the United States to expand the National Cemetery System.

HJR 16, by Representatives Kenton and Keene: A JOINT RESOLUTION directing the Kentucky Department of Agriculture to explore methods of preserving the tobacco industry.

Reference of Bills and Resolutions

The Committee on Committees referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 102.**

Appropriations and Revenue: **HB 100, HB 104, HB 107.**

Banking and Insurance: **HB 103.**

Cities: **HB 98, HB 106.**

Counties and Special Districts: **HB 109.**

Elections and Constitutional Amendments: **HB 101, HB 108.**

Highways and Traffic Safety: **HB 105.**

Judiciary: **HB 96, HB 99.**

State Government: **HB 95, HB 97.**

Rules: **HR 12, HR 14.**

Report of Committees

The Committee on Rules reported **HB 13, HR 5** and **HR 14** have been posted for passage in Orders of the Day.

Upon request of the Committee on State Government, the Committee on Rules returned **HB 16** to the Committee.

Motions, Petitions and Communications

Representative Rickert, Chairman of the Committee on State Government, announced public hearings on **HB 16** for 3:00 p.m., Monday, January 19, 1970, and 9:00 a.m., Tuesday, January 20, 1970.

Orders of the Day

HR 7 taken from Orders of the Day. Representative McBrayer moved that **HR 7** be placed upon its passage. Agreed.

Representative McBrayer moved the adoption of **HR 7.** Agreed.

HR 5 taken from Orders of the Day. Representative McBrayer moved that **HR 5** be placed upon its passage. Agreed.

Representative McBrayer moved the adoption of **HR 5.** Agreed.

HR 14 taken from Orders of the Day. Representative McBrayer moved that **HR 14** be placed upon its passage. Agreed.

Representative McBrayer moved the adoption of **HR 14.** Agreed.

HR 14, A RESOLUTION inviting John Y. Brown, Sr., to appear before the House of Representatives to present his traditional Lincoln Day address.

WHEREAS, the Honorable John Y. Brown has in recent years presented to this House a distinctive and monumental oration in honor of Lincoln's Birthday; and

WHEREAS, John Y. Brown, though not now a member of the House of Representatives, is recalled as an orator of no small attainment and a gentleman most suitable to honor our Sixteenth President;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Honorable John Y. Brown, Sr., be and he hereby is invited to appear before the House of Representatives on February 12, 1970, to present his traditional Lincoln Day address.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Elections and Constitutional Amendments: **HB 28, HCR 11, HB 38, HB 55, HB 101.**

Appropriations and Revenue: **HB 5, HJR 4** and **SB 5.**

Health and Welfare: **HB 12, HB 33, HB 64, HB 76.**

State Government: **HB 32, HB 34, HB 71.**

Labor and Industry: **HB 46, HB 67, HB 68,** 9:30 a.m., Tuesday, January 20, 1970.

Agriculture and Natural Resources: **HB 53, HB 92, HCR 10.**

Cities: **HB 9, HB 10, HB 21, HB 31, HB 44,** 11:00 a.m., Tuesday, January 20, 1970.

Meeting of Health and Welfare Committee, on adjournment, Democratic Caucus Room.

Committee on Appropriations and Revenue Committee budget hearing, January 19, 1970, 1:00 p.m., Room 327.

Caucus of Jefferson County Democratic delegation, Room 401, on adjournment.

Meeting of Committee on Labor and Industry, 9:30 a.m., Tuesday, January 20, 1970.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Tuesday, January 20, 1970.

On the roll call the vote was yeas 80—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Carter, Chapman, Clarke, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 5—Kessinger, King, Ray, Schmidt, Seimens.

The motion to adjourn was adopted.

TUESDAY, JANUARY 20, 1970

TWELFTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Charles N. King of the Corinthian Baptist Church, Frankfort.

The roll was called. All present except Representatives Bartley, Bleemel, Keene, McGill, McKinney, Massey, Mershon and Miller.

Recess

Representative Hardin moved that the House recess until 7:00 p.m., Tuesday, January 20, 1970.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Prayer by the Reverend Charles N. King of the Corinthian Baptist Church, Frankfort.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 16, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 137, by Representatives Stuart, Holloway, Kleier, Wheeler, Ray, Blume, Yocom, Siemens, Wyatt, Kidd, Conn, Blythe, Miller, Hughes, Wright and Priddy: AN ACT relating to tourist and convention commissions.

HB 138, by Representatives King, Isler and Kessinger: AN ACT relating to state representative districts.

HB 139, by Representatives King and Kessinger: AN ACT relating to mental health.

HB 140, by Representatives Hinkle and Clarke: AN ACT relating to insurance other than life.

HB 141, by Representatives Clarke and Hinkle: AN ACT relating to assessment or cooperative insurance other than life.

HB 142, by Representative Hinkle: AN ACT relating to sick leave for teachers.

HB 143, by Representative Lindsay: AN ACT relating to inheritance taxes.

HB 144, by Representative Lindsay: AN ACT relating to financial disclosure by all candidates for public office and all appointive officers whose jurisdiction is statewide.

HB 145, by Representatives Wright, Hinkle, Allen and Salyers: AN ACT relating to exemption of electronic equipment from local ad valorem taxes.

HB 146, by Representatives Nett, Kleier, Ray, Yocom, Wenz, Chapman, Kenton, Conn and Siemens: AN ACT relating to tort liability of municipal employes.

HB 147, by Representatives Kenton, W. J. Reynolds, G. White, Yocom, Murphy, Allen, Salyers, Deskins, Conn, Kleier, Mershon, Lindsay, Chapman, Ruh, Reed, Clapp, Wenz, Van Horn, Hinkle, Isler, May, Alexander, Wells, McNamara, Graves, McCann, Prather, Siemens, Freeman, Peak, Pollitte, Wyatt, Blume, Carroll, Lewis, Blythe, McBrayer and Roberts: AN ACT proposing an amendment to Section 170 of the Constitution of Kentucky relating to property exempt from taxation.

HB 148, by Representative Graves: AN ACT relating to judicial districts.

HB 149, by Representative Graves: AN ACT relating to revenue and taxation.

HB 150, by Representatives Hinkle, Arnett, W. J. Reynolds, Roberts, Wells, Salyers, Deskins, McKinney, Nett, McBrayer, Ruh, T. P. Reynolds, G. White, Freeman, Allen, Pollitte, Huff, Collins, McNamara, A. Brown and Curlin: AN ACT relating to teacher retirement benefits.

HB 151, by Representatives Collins, W. J. Reynolds, Haney, T. P. Reynolds and Allen: AN ACT relating to expenses for constables.

HB 152, by Representatives Wenz, Hughes, Kenton and W. J. Reynolds: AN ACT relating to levy upon and sale of real property for ad valorem taxes in third class cities.

HB 153, by Representatives Donnermeyer, Roberts, Schmidt, King and Isler: AN ACT changing the classification of the City of Wilder, in Campbell County.

HB 154, by Representatives Yocom, Kidd, Blume, Wyatt, Holloway, Siemens, Priddy, Nett, Kleier, Conn, Miller, Blythe, Stuart, Hughes, Wright and Ray: AN ACT relating to the collection of school occupation taxes from non-residents of counties.

HB 155, by Representatives Mitchell and Durham: AN ACT relating to the county judge expense allowance fund.

HB 156, by Representative Mitchell: AN ACT relating to library tax rates.

HB 157, by Representatives Carter, Lovins, and Lewis: AN ACT relating to Watershed Conservancy Districts.

HB 158, by Representative Wyatt: AN ACT relating to the transfer of adjacent territory from one school district to another school district.

HB 159, by Representatives McBrayer, Rickert, Lindsay, W. J. Reynolds, Lewis, Carroll, Blume, E. G. Brown, Van Horn, Paxton, McCann and Clarke: AN ACT relating to debts and debtors.

HB 160, by Representatives Curlin and Conn: AN ACT relating to vacancies in candidacies.

HB 161, by Representatives Baker, Sharpe and Rattliff: AN ACT relating to free license plates for disabled veterans.

HR 17, by Representatives Conn, Blume and Kenton: A RESOLUTION relating to air pollution standards.

HR 18, by Representative Rickert: A RESOLUTION requesting and petitioning the Kentucky Department of Highways to take immediate corrective action to remedy the dangerous

intersection of US 31-W and KY 835 within the city of West Point, Kentucky.

HR 19, by Representative Rickert: A RESOLUTION requesting and petitioning Senators John Sherman Cooper and Marlow W. Cook, Representatives William H. Natcher, M. G. Snyder and William O. Cowger to obtain a congressional directive, instructing the U. S. Army Corps of Engineers or other proper Federal authority to conduct an updated economic feasibility study for building a floodwall on the Ohio River and Salt River for flood protection of the northern Hardin County Community of West Point, Kentucky, and immediate vicinity.

HR 20, by Representative Ruh: A RESOLUTION directing the committee on State Government of the House of Representatives to investigate certain contracts of the Commonwealth.

HB 162, by Representatives Nett, Kidd, Blume, Holloway, Siemens, Priddy, Hughes, Stuart, Blythe, Conn, Yocom, Kleier, Ray, Wyatt and Wright: AN ACT relating to the financial operation of the University of Louisville and making an appropriation therefor.

Reference of Bills and Resolutions

The Committee on Committees referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 115.**

Appropriations and Revenue: **HB 117, HB 121, HB 122, SB 4.**

Cities: **HB 130.**

Counties and Special Districts: **HB 123, HB 132.**

Education **HB 126.**

Elections and Constitutional Amendments: **HB 113, HB 128.**

Health and Welfare: **HB 114, HB 116, HB 124.**

Judiciary: **HB 112, HB 118, HB 120, HB 125, HB 129.**

Labor and Industry: **HB 134, HB 135, SB 38.**

Public Utilities and Transportation: **HB 110, HB 119, HB 131, HB 133, HB 136.**

State Government: **HB 111, HB 127.**

Rules: **HR 15, HR 16.**

Report of Committees

The Committee on Appropriations and Revenue reported **HB 5,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 5, AN ACT relating to general appropriations to the Legislative Research Commission for the operation, maintenance, support, and functioning of the Legislative Branch of government and its agencies of the Commonwealth of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART ONE
GENERAL FUND

There is appropriated to the Legislative Research Commission out of the General Expenditure Fund for the fiscal year beginning July 1, 1970, and ending June 30, 1971, and for the fiscal year beginning July 1, 1971, and ending June 30, 1972 the following sums:

I. GENERAL ASSEMBLY

A. *Legislative Sessions.*

1970-1971 ..... $ 95,000
1971-1972 ..... $900,000

Includes the publishing of the Acts and Journals. Any unexpended balance remaining at the close of the 1970-1971 fiscal year shall not lapse, but shall continue into the 1971-1972 fiscal year.

B. *Monthly Expenses of Legislators.*

1970-1971 ----------$496,800
1971-1972 ----------$404,000

Includes monthly expense allowance authorized by KRS 6.213.

C. *Interim Committees.*

1970-1971 ----------$ 65,000
1971-1972 ----------$ 35,000

Includes the expenses of interim operation of the House and Senate standing committees as subcommittees of the Legislative Research Commission as contemplated by the House and Senate Rules and under the authority of the Legislative Research Commission to appoint subcommittees pursuant to KRS Chapter 7. Any unexpended balance remaining at the close of the 1970-1971 fiscal year shall not lapse, but shall continue into the 1971-1972 fiscal year.

I. TOTAL GENERAL

1970-1971 ----------$ 656,800
1971-1972 ----------$1,339,000

II. OTHER THAN GENERAL ASSEMBLY

D. *Legislative Research Commission.*

1970-1971 ----------$789,531
1971-1972 ----------$829,584

Any unexpended balance remaining at the close of the 1970-1971 fiscal year shall not lapse, but shall continue into the 1971-1972 fiscal year.

E. *Legislative Audit Committee.*

1970-1971 ----------$146,850
1971-1972 ----------$165,250

Any unexpended balance remaining at the close of the 1970-1971 fiscal year shall not lapse, but shall continue into the 1971-1972 fiscal year.

F. *Council of State Governments.*

1970-1971 ----------$ 20,200
1971-1972 ----------$ 29,220

II. TOTAL OTHER THAN GENERAL ASSEMBLY

1970-1971 ----------$ 956,581
1971-1972 ----------$1,024,054

PART TWO
REVOLVING, TRUST AND AGENCY FUNDS

There is appropriated to the Legislative Research Commission for the fiscal year ending June 30, 1971 and for the fiscal year ending June 30, 1972 all of the receipts from the sale of publications relating to Kentucky Revised Statutes and Administrative Regulations and the unexpended balance for the fiscal year ending June 30, 1970. All deposits are to be made to the accounts of the following funds:

A. Statute Revision Printing Fund.

B. Administrative Regulations Fund.

The unexpended balance of the Statute Revision Printing Fund for the fiscal year ending June 30, 1972 in excess of $30,000 shall lapse to the General Fund.

GRAND TOTAL—LEGISLATIVE

1970-1971 ----------$1,613,381
1971-1972 ----------$2,363,054

Committee Substitute HB 5, AN ACT relating to general appropriations to the Legislative Research Commission for the operation, maintenance, support, and functioning of the Legislative Branch of government and its agencies of the Commonwealth of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART ONE
GENERAL FUND

There is appropriated to the Legislative Research Commission out of the General Expenditure Fund for the fiscal year beginning July 1, 1970, and ending June 30, 1971, and for the fiscal year beginning July 1, 1971, and ending June 30, 1972 the following sums:

I. GENERAL ASSEMBLY

A. *Legislative Sessions.*

1970-1971	$ 75,000
1971-1972	$890,000

Includes the publishing of the Acts and Journals. Any unexpended balance remaining at the close of the 1970-1971 fiscal year shall not lapse, but shall continue into the 1971-1972 fiscal year.

B. *Monthly Expenses of Legislators.*

1970-1971	$496,800
1971-1972	$404,000

Includes monthly expense allowance authorized by KRS 6.213.

C. *Interim Committees.*

1970-1971	$ 65,000
1971-1972	$ 35,000

Includes the expenses of interim operation of the House and Senate standing committees as subcommittees of the Legislative Research Commission as contemplated by the House and Senate Rules and under the authority of the Legislative Research Commission to appoint subcommittees pursuant to KRS Chapter 7. Any unexpended balance remaining at the close of the 1970-1971 fiscal year shall not lapse, but shall continue into the 1971-1972 fiscal year.

I. TOTAL GENERAL ASSEMBLY

1970-1971	$ 636,800
1971-1972	$1,329,000

II. OTHER THAN GENERAL ASSEMBLY

D. *Legislative Research Commission.*

1970-1971 ----------$744,705
1971-1972 ----------$813,235

Any unexpended balance remaining at the close of the 1970-1971 fiscal year shall not lapse, but shall continue into the 1971-1972 fiscal year.

E. *Legislative Audit Committee.*

1970-1971 ----------$130,902
1971-1972 ----------$154,257

Any unexpended balance remaining at the close of the 1970-1971 fiscal year shall not lapse, but shall continue into the 1971-1972 fiscal year.

F. *Council of State Governments.*

1970-1971 ----------$ 20,200
1971-1972 ----------$ 29,220

II. TOTAL OTHER THAN GENERAL ASSEMBLY

1970-1971 ----------$895,807
1971-1972 ----------$996,712

PART TWO
REVOLVING, TRUST AND AGENCY FUNDS

There is appropriated to the Legislative Research Commission for the fiscal year ending June 30, 1971, and for the fiscal year ending June 30, 1972, all of the receipts from the sale of publications relating to Kentucky Revised Statutes and Administrative Regulations and the unexpended balance for the fiscal year ending June 30, 1970. All deposits are to be made to the accounts of the following funds:

A. Statute Revision Printing Fund.

B. Administrative Regulation Fund.

The unexpended balance of the Statute Revision Printing Fund

for the fiscal year ending June 30, 1972, in excess of $30,000 shall lapse to the General Fund.

GRAND TOTAL—LEGISLATIVE

1970-1971	$1,532,607
1971-1972	$2,325,712

The Committee on Cities reported **HB 10** and **HB 21** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 10, AN ACT relating to city police and fire departments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 95.761 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any city of the fourth class which has now, or in which there may be hereafter established a regular police or fire department in the future, may by ordinance create a civil service commission, whose duties shall be to hold examinations as to the qualifications of applicants for employment within the police or fire departments.

(2) A city of the fourth class is authorized to adopt the provisions of KRS 95.520 to 95.620 governing policemen's and firemen's pension fund, the same as a city of the third class.

(3) A city of the fourth class is authorized to adopt the provisions of KRS 90.300 to 90.420 governing civil service, the same as a city of the third class.

(4) The legislative body of the city of the fourth class after adoption of the provisions of KRS 95.520 to 95.620 relating to a policemen's and firemen's pension plan, or KRS 90.300 to 90.420 relating to a civil service, may not revoke, rescind or repeal these adoptions.

(5) (a) *Any of* the following offices, positions, and places of employment, in the police and fire departments, *may be* [are]

excluded from the classified service: The chief of police, assistant chief of police, chief of firemen and assistant chief of firemen.

(b) Any classified employe in either department who shall accept an appointment and qualify as chief of police, assistant chief of police, chief of firemen, or assistant chief of firemen, shall be deemed to have received a leave of absence from the classified service for, and during the incumbency of, any of said respective positions. Should any such chief or assistant chief, cease to serve as such, the same classification and rank which he had prior to said appointment shall be restored to him.

HB 21, AN ACT relating to auxiliary police.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 95.445 of the Kentucky Revised Statutes is amended to read as follows:

The legislative body of a city of the second, third [,] *or* fourth [, fifth, or sixth] class [, except a city of the fourth, fifth or sixth class in a county containing a first-class city,] may by ordinance provide for the establishment or abolishment of an auxiliary police force to perform special duties within the city on terms it deems proper. The ordinance shall prescribe the number of officers and men of such force and the manner of their appointment, and rules and regulations governing the powers and duties of members of such force.

The Committee on Labor and Industry reported **HB 46, HB 67** and **HB 68** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 46, AN ACT relating to unemployment compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 341.360 of the Kentucky Revised Statutes is amended to read as follows:

No worker may serve a waiting period or be paid benefits for any week of unemployment with respect to which:

(1) A strike or other bona fide labor dispute which caused him to leave or lose his employment is in active progress in the establishment in which he is or was employed, except that waiting periods may be served and benefits may be paid unless the employer notifies the division in writing within seven days after the beginning of such alleged strike or labor dispute of the alleged existence of such strike or labor dispute. *Provided, however, that this section shall not apply if it is shown to the satisfaction of the division that: he is not participating in or directly interested in the labor dispute which cause the stoppage of work; and he does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage, there were members employed at the premises at which the stoppage occurs, any of whom are participating in or directly interested in the dispute; and he has not voluntarily stopped working, other than at the direction of his employer, in sympathy with employes in some other establishment or factory in which a labor dispute is in progress; provided, that if in any case separate branches of work which are commonly conducted as separate businesses in separate premises, are conducted in separate departments of the same premises, each such department shall, for the purpose of this section, be deemed to be a separate factory, establishment, or other premises; provided further, that the division may refer claims of individuals falling within the provisions of this section to a referee who shall make the initial determination with respect thereto.* For the purpose of this subsection a lock-out shall not be deemed to be a strike or a bona fide labor dispute and no worker shall be denied credit for a waiting period or be denied benefits by reason of a lock-out; or

(2) He has received or is seeking unemployment compensation under an unemployment compensation law of another state or of the United States; except as otherwise provided by an arrangement between this state and such other state or the United States. But if the appropriate agency of such state or of the United States finally determines that he is not entitled to such unemployment compensation, this subsection shall not apply.

HB 67, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to all other compensation provided in this chapter, the employer shall *pay* [furnish] for the cure and relief from the effects of an injury or occupational disease, such medical, surgical and hospital treatment, including nursing, medical and surgical supplies and appliances, as may reasonably be required at the time of the injury and thereafter during disability, or as may be required for the cure and treatment of an occupational disease, but not exceeding a total expense to the employer of thirty-five hundred dollars. *The employe may select the physician to treat his injury, and the hospital in which he shall be treated.* [If the employer fails to furnish such treatment reasonably, he shall be liable for the reasonable expense, within the limits of this section, incurred by or on behalf of the employe in providing such treatments. In an emergency, the employe may call in any available physician or surgeon to administer any first aid reasonably necessary at the expense of the employer within the limits of this section.] The board, in its discretion, may apportion payments to be made under this section between hospitals and physicians in cases where their aggregate fees and charges would exceed the maximum for which the employer is liable.

(2) However, further medical, surgical and hospital treatment may be ordered by the board, *to be paid for by the employer,* upon application and sufficient showing of justifiable need therefor.

(3) Where a compensable injury or occupational disease results in the amputation of an arm, hand, leg or foot, or the loss of hearing, or the enucleation of an eye or the loss of teeth, the employer shall initially *pay for* [furnish] in addition to other medical, surgical and hospital treatment enumerated in subsections (1) and (2) of this section, a modern artificial member and where required proper braces.

(4) Upon motion of the employer, with sufficient notice to the employe for a response to be filed, if it is shown to the satisfaction of the board by affidavits or testimony that because of the physician selected by the employe to treat his injury or disease, or because of the hospital selected by the employe in which he is being treated, that the employe is not receiving

proper medical treatment and his recovery is being substantially affected or delayed; or that the funds for his medical expenses are being spent without reasonable benefit to the employe; or that because of the physician selected by the employe or because of the type of medical treatment being received by the employe that the employer will substantially be prejudiced in any compensation proceedings resulting from the employe's injury or disease; then the board may allow the employer to select a physician to treat the employe and the hospital or hospitals in which the employe is treated for his injury or disease. No action shall be brought against any employer subject to this chapter by any person to recover damages for malpractice or improper treatment received by any employe from any physician, hospital or attendant thereof.

Section 2. Section 342.025 of the Kentucky Revised Statutes is amended to read as follows:

(1) In all claims for hernia resulting from injury received in the course of and resulting from the employe's employment it must be definitely proved to the satisfaction of the board that:

(a) There was an injury resulting in hernia;

(b) The hernia appeared suddenly and immediately following the injury; and

(c) The hernia did not exist in any degree, including the primary or incomplete stage, prior to the injury for which compensation is claimed.

(2) In all such cases where liability for compensation exists, the employer shall, within the limits of KRS 342.020, *pay for* [provide] competent surgical treatment by radical operation. In case the injured employe refuses to submit to the operation, the employer may require a medical examination as provided in KRS 342.205.

(3) If it is shown by such examination that the employe has any chronic disease or is otherwise in such physical condition so as to render it more than ordinarily unsafe to submit to such operation, he shall, if unwilling to submit to the operation, be entitled to compensation for disability under the general provisions of this chapter. If the examination does not disclose the existence of disease or other physical condition rendering the

operation more than ordinarily unsafe, and the employe, with the knowledge of the result of such examination, thereafter refuses to submit to such operation, he shall be entitled to compensation for disability under the general provisions of this chapter for not exceeding one year. If the employe submits to the operation he shall, in addition to the surgical benefits herein provided for, be entitled to compensation for his actual disability following such operation. If the hernia results in death within one year after it is sustained, or the operation results in death, such death shall be deemed a result of the injury causing such hernia and compensated accordingly under the provisions of this chapter. This subsection shall not apply where the employe has refused to submit to an operation which has been found by the examination herein provided for not to be more than ordinarily unsafe.

Section 3. Section 342.105 of the Kentucky Revised Statutes is amended to read as follows:

Except as stated in subsection (22), for injuries or disabilities from an occupational disease enumerated in the following schedule the employe shall receive, in addition to temporary total disability compensation for the period of actual total disability, not exceeding twenty weeks, a weekly compensation equal to sixty-six and two-thirds percent of his average weekly earnings subject to the limitations in subsection (5) of KRS 342.070 for the periods stated herein:

(1) For the loss of a thumb, sixty weeks.

(2) For the loss of a first finger, commonly called the index finger, forty-five weeks.

(3) For the loss of a second finger, thirty weeks.

(4) For the loss of a third finger, twenty weeks.

(5) For the loss of a fourth finger, commonly known as the little finger, fifteen weeks.

(6) The loss of the second, or distal phalange, of the thumb shall be considered to be equal to the loss of one-half of the thumb, the loss of more than one-half of the thumb shall be considered equal to the loss of the whole thumb.

(7) The loss of the third, or distal phalange of any finger shall be considered to be equal to the loss of one-third of the finger.

(8) The loss of the middle, or second phalange, of any finger, shall be considered equal to the loss of two-thirds of the finger.

(9) The loss of more than the middle and distal phalanges of any finger shall be considered equal to the loss of the whole finger, but in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand.

(10) For the loss of a metacarpal bone (bone of the palm) for the corresponding thumb, finger or fingers above, add ten weeks to the number of weeks as above.

(11) For ankylosis (total stiffness of) or contractures (due to sears or injuries) which makes the fingers useless, the same number of weeks apply to such finger or fingers (including thumb) as given above.

(12) For the loss of a hand, one hundred fifty weeks.

(13) For the loss of an arm, two hundred weeks.

(14) For the loss of one of the toes, other than the great toe, ten weeks.

(15) For the loss of the great toe, thirty weeks.

(16) The loss of more than two-thirds of any toe shall be considered to be equal to the loss of the whole toe.

(17) The loss of less than two-thirds of any toe shall be considered to be equal to the loss of one-half toe.

(18) For the loss of a foot, one hundred twenty-five weeks.

(19) For the loss of a leg, two hundred weeks.

(20) For the total and permanent loss of the sight of an eye, one hundred weeks, plus an additional twenty weeks in cases where the eyeball is enucleated.

(21) For the total and permanent loss of hearing in one ear, seventy-five weeks.

(22) If the effects of any of the injuries, or disabilities, from occupational diseases, or losses, mentioned in this section adversely affect a workman's ability to labor, or limits his oc-

cupational opportunities to obtain the kind of work he is customarily able to do; his compensation benefits shall not be limited to the amounts provided by this section, and he shall be awarded compensation benefits under some other applicable or appropriate section of this chapter which would provide more compensation benefits for his disability.

Section 4. Section 342.121 of the Kentucky Revised Statutes is amended to read as follows:

(1) If on a claim for compensation for disability resulting from a subsequent injury by accident or occupational disease any medical question shall be in controversy, or a determination thereof necessary to the proper apportionment of liability therefor, the board shall refer the case to a physician appointed by it for the purpose of investigating and reporting to the board on the medical questions involved. The physician shall make his report to the Workmen's Compensation Board in writing with respect to all medical questions at issue or necessary to the apportionment of disability between the subsequent injury and in the prior existing disability at the time of employment. The report shall show the date of prior disablement or latent, nondisabling disease, which, if in dispute, shall be deemed a medical question.

(2) The physician appointed as provided in subsection (1) of this section shall be allowed necessary traveling expenses and reasonable fees, to be fixed by the board to each physician for making such examination and report, plus a reasonable allowance for expenses incurred in making such examination. The board may also allow traveling expenses to the employe. Such fees and expenses so approved by the board shall be paid out of the Special Fund.

(3) The physician shall, as soon as practicable after he has completed his consideration of the case, but not later than fifteen days after the examination of the employe, report in writing his findings on every medical question in controversy. The physician shall also include in his report a statement indicating the physician or physicians, if any, who appeared before him, and what, if any medical reports and X-rays were considered by him.

(4) *The board may consider the report of the physician along with the other evidence in the case in arriving at its decision or award, and any party in interest may take the deposition of the physician to be used as evidence in the case.* [The decision or award in the case shall conform to the findings and conclusions in such report insofar as restricted to medical questions; provided, however, that any such findings and conclusions may be set aside, reversed or modified, by the board's award or decision, in case an application for review is made to the board within ten days after the report is filed with the board and the interested parties notified, subject, however, to the following special provisions; no such findings of the physician shall be subject to review unless specific objections thereto shall be filed with the board by a party in interest within the time limited in which to apply for review of such report.]

(5) The provisions of this section shall apply only to persons mentioned in KRS 342.120.

Section 5. Section 342.030 of the Kentucky Revised Statutes is repealed.

HB 68, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.005 of the Kentucky Revised Statutes is amended to read as follows:

(1) This chapter shall apply to all employers having three or more employes regularly engaged in the same occupation or business, and to their employes, except that it shall not apply to domestic employment, agriculture, steam railways, or such common carriers other than steam railways for which a rule of liability is provided by the laws of the United States; provided, however, it shall apply to the operators of threshing machines used in threshing or hulling grain or seeds. It shall affect the liability of the employers subject thereto to their employes for a traumatic personal injury sustained by the employe by accident, and for disability resulting from occupational diseases as defined in this chapter, arising out of and in the course of his employment, or for death resulting from such accidental injury or occupational dis-

ease *and as provided in KRS 342.111;* provided, however, that "traumatic personal injury by accident" as herein defined shall not include diseases except where the disease is the natural and direct result of a traumatic injury by accident nor shall it include the results of a pre-existing disease, whether previously disabling or not, but shall include injury or death due to inhalation in mines of noxious gases or smoke, commonly known as "bad air", and also shall include injuries or death due to the inhalation of any kind of gas, and shall also include occupational disease as defined in this chapter.

(2) The board shall apportion the aggregate extent and duration of disability among the contributing causes including but not limited to, the following:

(a) "Traumatic injury by accident";

(b) Pre-existing disease previously disabling;

(c) Pre-existing disease not previously disabling but aroused into disabling reality by the injury or occupational disease.

(3) The board shall, in every case, determine whether the provisions of KRS 342.120 are applicable, and if so the board shall proceed in accordance with the law and regulations established for processing claims involving the Special Fund.

(4) Any employers and employes who are, by the provisions of this section, excepted from the provisions of this chapter, including employers having less than three employes, may subject themselves thereto by joint voluntary application to the board, in writing, for such period as may be stated in the application, which shall be irrevocable during such period and effective thereafter until a written revocation be filed with the board or the employment be terminated.

(5) All employes of departments, administrative bodies, and agencies of the state shall be covered by the provisions of this chapter. The Commissioner of Finance shall exercise the elections necessary to extend coverage to those state employes for which coverage is not otherwise required by this chapter.

Section 2. Section 342.111 of the Kentucky Revised Statutes is amended to read as follows:

(1) When an employe, who has been awarded disability

compensation by the Workmen's Compensation Board, shall die *from any cause, whether or not related to the injury or occupational disease*, [as a result of such injury or occupational disease] prior to the payment to him of the amount of the award, then the dependents of the deceased employe shall be allowed and paid all allowed and unpaid awards made to such employe. Provided, however, that the dependents of such deceased employe shall, within one year after the death of such employe, file with the Workmen's Compensation Board, in such form as the board may require, a written verified application, stating therein the date of the death of such deceased employe; the amount of such allowed and uncollected award; the name, age, postoffice address, and the relation of each of said dependents to the deceased. Thereupon the Workmen's Compensation Board shall notify in writing the company, person or insurance carrier against whom such award was made; and shall fix a time and place for a hearing, of which notice shall be given, to determine the dependency of those making such claim; and shall make an award or order for the benefit of those found to be entitled thereto. Provided, however, that the number of weekly payments to be paid to the dependents shall be the number of weeks remaining after deducting the number of weekly payments made to the decedent from the number of weeks allowed in the original award.

(2) The total amount paid and payable to the decedent and his dependents shall not exceed the amount now payable for death at the average weekly wage of the decedent at the time of his injury, and the weekly payments to the dependents shall not exceed the sum provided in KRS 342.070.

The Committee on Appropriations and Revenue reported **SB 5** and **HJR 4** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 5, AN ACT appropriating money out of the General Expenditure Fund in the State Treasury to the Legislative Sessions Account for the purpose of meeting a deficiency of appropriations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is appropriated out of the General Expend-

iture Fund in the State Treasury the sum of $226,074 to the Legislative Research Commission for the Legislative Sessions Account, for the purpose of replenishing the account for monies used in renovation of the fourth floor of the Capitol Building, used in purchases of furnishings, services and equipment, and for which purpose no specific appropriation was made by the 1968 General Assembly.

Section 2. There being a need for the monies for the 1970 General Assembly to conduct its normal conduct of buisness an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor.

HJR 4, A JOINT RESOLUTION making an appropriation to the Legislative Research Commission for special expenses incurred in connection with sessions of the General Assembly and declaring an emergency.

WHEREAS, additional personnel are necessary to expedite properly the business of the Senate and the House of Representatives; and

WHEREAS, the present appropriation of the Legislative Research Commission is insufficient to provide adequate clerical services to the General Assembly;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

That there be appropriated out of the General Expenditure Fund to the Legislative Research Commission the sum of two thousand and five hundred dollars ($2,500) per calendar day during all regular and special sessions of the General Assembly. This appropriation shall be available for expenditure during the 1969-1970 and 1970-1971 fiscal years.

WHEREAS, the General Assembly is now in session and it is necessary that these funds be available immediately, an emergency is declared to exist and this resolution shall become effective upon its passage and approval by the Governor, and shall be retroactive to include payment of compensation to such personnel from and including January 6, 1970.

The Committee on Elections and Constitutional Amendments reported **HR 11** with the expression of opinion that the same should pass.

HCR 11, A CONCURRENT RESOLUTION directing the Legislative Research Commission to make a study of the election laws of the Commonwealth of Kentucky, and to submit a report of its findings and recommendations to the 1972 General Assembly.

WHEREAS, the election laws have been amended from time to time on a piecemeal basis; and

WHEREAS, the Interim Committee on Elections and Constitutional Amendments, after receiving and considering proposals for many changes in the election laws, recommended that a comprehensive study be undertaken;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That the Legislative Research Commission is directed to make a study of the election laws of the Commonwealth that relate to the powers and duties of the State Board of Elections, the registration and purgation of voters, the conduct of elections, the laws applicable to election offenses and prosecutions, voting machines, and absent voting. and that the Commission submit a report of its findings and recommendations to the 1972 General Assembly.

Announcements

The Committee on Rules reported **HB 22** has been posted for passage in Orders of the Day.

The Clerk announced the following Bills and Resolutions were posted for consideration:

Judiciary: **HB 45, HB 35, HB 17, HB 51.** (Room 402, January 23, 1970, 10:00 a.m.)

Banking and Insurance: **HB 88.** (Room 402, January 21, 1970, 11:00 a.m.)

Education: **HB 52, HB 59, HB 60, HB 61, HB 66, HB 69, HB 74.** (Room 402, January 22, 1970, 10:00 a.m.)

Counties and Special Districts: **HB 19, HB 41.** (Room 402, January 22, 1970, 11:00 a.m.)

State Government: **HB 16, HB 23.** (Room 403, January 21, 1970, 11:00 a.m.)

The oath of office was administered to Representative Hughes E. McGill by L. J. Hollenbach, III, County Judge of Jefferson County on, January 14, 1970.

Orders of the Day

Representative Hardin moved that consideration of **HB 13** be deferred and that it retain its position in Orders of the Day. Agreed.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Wednesday, January 21, 1970.

On the roll call the vote was yeas 73—Alexander, Allen, Arnett, Baker, Blandford, Blythe, Archie Brown, Hershel Brown, Bruce, Carroll, Carter, Clarke, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Murphy, Nett, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Sharpe, Stuart, Van Horn, West, Wheeler, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

The motion to adjourn was adopted.

WEDNESDAY, JANUARY 21, 1970

THIRTEENTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Charles N. King of the Corinthian Baptist Church, Frankfort.

The roll was called. All present except Representatives Bleemel, McGill and McKinney.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 20, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 163, by Representatives Yocom, Blume, Priddy, Kidd, Wyatt, Miller, Ray, Kleier, Carter, Conn, Nett and Siemens: AN ACT relating to minimum wage.

HB 164, by Representatives Allen, Collins, Salyers, Arnett, T. P. Reynolds, Freeman, Donnermeyer and Simmons: AN ACT relating to gas pipelines and related facilities.

HB 165, by Representatives DeMarcus and Baker: AN ACT to provide for the temporary orderly succession of the office of a County Judge unable by absence or disability to serve in event of a national and state emergency.

HB 166, by Representative DeMarcus and Baker: AN ACT relating to the regulation of parachute jumping.

HB 167, by Representative Isler: AN ACT prohibiting discrimination in employment because of age.

HB 168, by Representative Ray: AN ACT relating to comparative negligence in civil actions.

HB 169, by Representatives Ray, Yocom and Priddy: AN ACT relating to the payment of wages to employes.

HB 170, by Representatives Arnett, Carter, Roberts, Tobin, A. Brown and Salyers: AN ACT relating to railroad crossings.

HB 171, by Representatives Massey, Graves, Mitchell, Lewis, E. G. Brown, Durham, L. T. Hardin, Lovins, Paxton, Sharpe, Bartley, A. Brown, Collins, McKinney, Simmons, Arnett, McBride and Chapman: AN ACT relating to medical assistance for certain needy persons, providing for optometric services.

HB 172, by Representatives Seimens, Murphy, Wible, Yocom, Kidd, Blume, Nett and Hughes: AN ACT relating to mining inspectors.

HB 173, by Representatives Siemens and Yocom: AN ACT relating to tree trimming safety practices.

HB 174, by Representative Hughes: AN ACT relating to savings and loan associations.

HB 175, by Representatives DeMarcus, Haney, Chapman, Lovins, Head and Floyd: AN ACT relating to area development districts in the Commonwealth of Kentucky providing for their creation, powers, and duties.

HB 176, by Representatives DeMarcus, Haney, Chapman, Lovins, Head and Floyd: AN ACT relating to the coordination of programs concerned with the development of the state, intergovernmental cooperation, state planning, and providing for the establishment of the Kentucky Program Development Office.

HB 177, by Representatives Carter, Ray, Hughes, Kleier, Yocom, Kidd, Priddy, Nett, Miller, Blume, Mershon, Wenz and Donnermeyer: AN ACT relating to Sunday closing.

HB 178, by Representative Carter: AN ACT relating to allowing cities or counties to provide ambulance service by contract or otherwise.

HB 179, by Representatives Yocom, Siemens, Kleier, Murphy and Blume: AN ACT relating to the imposition of sales and use taxes by cities and counties.

HB 180, by Representatives Blume, Siemens, Conn, Yocom, Ray, Miller and Chapman: AN ACT relating to collective bargaining by public employes.

HB 181, by Representatives Wenz and Kenton: AN ACT relating to the transfer of title to real estate from a decedent to his heirs or devisees.

HB 182, by Representatives Paxton and Parish: AN ACT relating to qualifications of nonelective peace officers.

HB 183, by Representative Baker: AN ACT relating to personal representatives.

HB 184, by Representative Swinford: AN ACT relating to insurance.

HB 185, by Representative Swinford: AN ACT relating to housing authorities.

HB 186, by Representatives Stuart, Blume, Holloway, Yocom, Osborne, Blythe, Kleier, Durham and Massey: AN ACT relating to child labor.

HB 187, by Representative Swinford: AN ACT relating to eminent domain.

HCR 21, by Representatives Reed, Swinford, Lovins, Arnett and Haney: A CONCURRENT RESOLUTION requesting the United States Secretary of Agriculture not to cut burley tobacco allotments for 1970 without first giving growers an opportunity to be heard on proposals to strengthen the burley tobacco program.

HR 22, by Representatives Blythe and Conn: A RESOLUTION commending the Kentucky Federation of Women's Clubs.

HJR 23, by Representatives Roberts, Ruh, Isler, Donnermeyer, Mershon, Reed, King and Murphy: A JOINT RESOLUTION making an appropriation to the Department of Parks for the Big Bone Lick State Park.

Report of Committees

The Committee on Rules reported **HR 15, HR 17, HR 18, HR 19, HR 11** and **HR 20** have been posted for passage in Orders of the Day.

The Committee on Rules has referred **HR 16** to the Committee on Agriculture and Natural Resources.

The Committee on Banking and Insurance reported **HB** 88 with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 88, AN ACT relating to credit unions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 290.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal year of every credit union shall end at the close of business on December 31. *An annual meeting of the corporation shall be held in accordance with the bylaws of the credit union.* [The annual meeting of the corporation shall be held prior to June 30 in each year.] Special meetings may be held by order of the directors or of the supervisory committee, and shall be held upon request in writing of ten percent of the members. Notice of all meetings of the corporation shall be given in the manner prescribed in the bylaws.

(2) At all meetings of members a member shall have but one vote, irrespective of the number of shares held. No shareholder may vote by proxy but a society, association, partnership or corporation having membership in the corporation, may be represented by one person authorized to so represent it.

(3) At any meeting the members may decide upon any question of interest to the corporation and may overrule the board of directors.

Section 2. Section 290.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) At the first meeting of the Board of Directors and at the first meeting of the board following the annual membership meeting in each fiscal year, the board shall elect from their number a president, vice-president, secretary and treasurer. The offices of secretary and treasurer may, if the bylaws so provide, be held by one person. The board of directors shall have the general management of the affairs, funds and records of the corporation and shall meet as often as necessary.

(2) Unless the bylaws specifically reserve all or any of the following duties to the members, the directors shall:

(a) *Act upon applications for membership; or appoint an executive committee or a membership officer from among the members of the credit union, other than the treasurer, an assistant treasurer, or a loan officer, who may be authorized by the board to approve applications for membership under such conditions as the board may prescribe;* [Act upon all applications for membership and the expulsion of members;]

(b) Determine the rate of interest, consistent with the provisions of this chapter, which shall be allowed on deposits and charged on loans;

(c) Fix the maximum number of shares which may be held by and the maximum amount which may be loaned to any one member, declare dividends and recommend amendments to the bylaws;

(d) Fill vacancies in the board of directors and in the credit committee until the election and qualification of successors;

(e) Have charge of the investment of funds other than loans to members;

(f) Employ persons necessary to carry on the business of the credit union;

(g) Perform such other duties as the members authorize from time to time;

(h) Appoint such special committees as the board deems appropriate.

(3) Each director, officer, member or employe having custody of funds shall be bonded. The type and amount of each bond shall be fixed by the board of directors, subject to the following:

(a) If the assets of the credit union amount to less than $50,000 the bond shall be a blanket type bond or a position type faithful performance bond in an amount not less than twenty percent of the total assets;

(b) If the assets of the credit union amount to $50,000

or more, the bond shall be a blanket type faithful performance bond of a minimum amount determined as follows:

Assets	Amount of Bond
$ 50,000 to $200,000	20% of total assets
$200,000 to $400,000	20% of first $200,000 15% of amount over $200,000
$400,000 to $600,000	20% of first $200,000 15% of second $200,000 5% of amount over $400,000
$600,000 and over	20% of first $200,000 15% of second $200,000 5% of third $200,000 2½% of amount over $600,000

(4) Except as provided herein, no officer, director or member of the credit committee or supervisory committee shall receive any compensation, directly or indirectly, for services he performs in such capacity. The board of directors may fix reasonable compensation for the treasurer, assistant treasurer, and office personnel.

Section 3. Section 290.140 of the Kentucky Revised Statutes is amended to read as follows:

The credit committee shall approve every loan *made by the credit union to its members, in accordance with policies established by the board of directors and the bylaws, and shall generally supervise the administration of all loans. The credit committee may appoint one or more loan officers to act under the supervision of the credit committee. Loan officers may approve loans on such terms and conditions as the credit committee may authorize.* [or advance made by the corporation to members. Every application for a loan shall be made in writing on a form prepared by the board of directors and shall state the purpose for which the loan is desired and the security offered. No loan shall be made unless it has received the unanimous approval of the members of the committee who were present when it was considered, which number shall constitute at least a majority of the members of the committee, nor if any member of the committee disapproves the loan. If the bylaws so provide,

an applicant who has been denied a loan may appeal to the board of directors in the manner provided in the bylaws. The credit committee shall meet as often as may be required after due notice has been given to each member.]

Section 4. Section 290.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) A credit union may lend its funds to its members at rates of interest not exceeding one percent per month on the unpaid balance of the loan, which amount shall be in lieu of all other charges incident to the making of the loan, except fines for delinquent payments, and in case of secured loans, premiums incurred in the carrying of insurance against the loan, mortgage recording fees, title examination fees, and such other reasonable charges as are necessarily incident to the effective protection of the loan by the security offered.

(2) In the case of a temporary loan, a credit union may charge a fee of twenty-five cents when a loan is in an amount of twenty-five dollars or less, and a fee of fifty cents when a loan is in an amount more than twenty-five dollars.

(3) The legal rate of interest provided by KRS 360.010 shall apply to any loan secured by first lien or first mortgage on real estate and no greater rate of interest shall be charged on such loans.

(4) In addition to other lawful charges, attorneys' fees equal to 20 percent of the unpaid balance and court costs, may be collected, provided that the note is referred to an attorney, not a salaried employe of the holder for collection.

Section 5. Section 290.220 of the Kentucky Revised Statutes is amended to read as follows:

In addition to the manner provided in KRS 386.030, the capital, undivided profits, reserve fund and other assets of a credit union, to the extent such resources are not utilized for loans to members as provided in this chapter, may be invested in the following ways:

(1) They may be deposited to the credit of the corporation in state credit unions; state or national banks doing commercial

banking; Federal credit unions operating in Kentucky; and in savings and loan associations;

(2) Not more than ten percent of the capital stock and reserve funds of a credit union may be invested in the stock of other credit unions, including Federal credit unions operating in Kentucky;

(3) They may [only] be invested in:

(a) Bonds and other interest-bearing obligations of the Federal Government;

(b) Bonds, state warrants and other interest-bearing obligations of this state;

(c) Securities authorized by the Federal Farm Loan Act; as amended;

(d) Bonds and obligations of the Home Owners' Loan Corporation, Federal Farm Mortgage Corporation, or the Federal Intermediate Credit Bank;

(e) Notes and bonds secured by mortgage or trust deed insured by the Federal Housing Administrator, obligations issued or insured by the Federal Housing Administrator, and securities issued by National Mortgage Associations; [.]

(f) In capital shares, obligations, or preferred stock issues of any agency or association organized either as a stock company, mutual association or membership corporation, provided the membership or stockholdings, as the case may be, of such agency or association are confined or restricted to credit unions or organizations of credit unions, and provided the purpose for which such agency or association is organized or designed to service or otherwise assist credit union operations;

(g) Loans to other credit unions, not to exceed 25 percent of the capital and surplus of the lending credit union.

Section 6. Section 290.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) A credit union may make loans, including temporary loans, to its members for provident and productive purposes, and upon such security and terms as the bylaws provide. No loan shall be made to any member which causes such member

to become indebted to the credit union in an aggregate amount, upon loans made to such member, which is in excess of two hundred dollars or ten per centum of the credit union's paid-in unimpaired capital and surplus, whichever is greater, or in excess of *$2,500* [*$750*] unless such excess over *$2,500* [$750] is adequately secured. For the purposes of this section, an assignment of shares or the endorsement of a note shall be deemed security.

(2) A member who needs funds *for agricultural purposes* [with which to purchase necessary supplies for current crops] may receive a loan payable in periodic payments rather than fixed monthly installments.

(3) No officer, member of the board of directors, or member of the credit or supervisory committee shall borrow more than the amount of his investment in the credit union, as represented by fully paid shares and accumulated dividends unless so authorized by the members of the credit union at an annual meeting, or at a special meeting called for such purpose, except that any director, or member of a credit committee or a supervisory committee may borrow up to the unsecured loan limit applicable to all members without authorization from the members. If an application for a loan is made by a member of the credit committee, then the supervisory committee shall appoint a substitute to act in the place of the prospective borrower in the consideration of such loan. No director, officer, or member of the credit or supervisory committee shall become an endorser for a borrower, unless so authorized by the members of the credit union at an annual meeting, or at a special meeting called for that purpose.

(4) A borrower may repay the whole or any part of his loan on any day that the office of the credit union is open for business.

(5) No officer or member of a committee shall knowingly permit or participate in making a loan of the funds of a credit union to a nonmember, the credit union may recover such illegal loan from the borrower, or from any officer or any member of a committee who knowingly committed or participated in the making thereof, or from all of them jointly.

Section 7. Section 290.240 of the Kentucky Revised Statutes is amended to read as follows:

(1) All entrance fees, transfer fees and charges shall, after the payment of the organization expenses, be known as reserve income, and shall be added to the reserve fund of the corporation.

(2) At the close of each fiscal year each credit union shall set apart to the reserve fund, twenty percent of its net income accumulated during the year, until the reserve fund equals *ten percent of outstanding loans or shares, whichever is greater.* [at the end of a fiscal year twenty-five percent of the total paid-in capital of the credit union, as represented by the amount paid in on shares.] Thereafter, a sufficient portion of the annual net income shall be allocated to the reserve fund to maintain the reserve fund at *ten percent of outstanding loans or shares, whichever is greater.* [a ratio of twenty-five percent of the paid-in capital at the end of each fiscal year.] Upon the recommendation of the board of directors, the members at an annual meeting may increase the proportion of *net income* [profits] to be set apart to the reserve fund[, and may likewise increase the proportion which the reserve fund shall bear to the paid-in capital, but the proportion shall at no time be less than twenty-five percent thereof].

(3) The reserve fund shall belong to the corporation and shall be held to meet contingencies, and shall not be distributed to the members except upon dissolution of the corporation.

Section 8. Section 290.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) [Annually or semi-annually,] As the by-laws may provide, and after provision for the required reserves, the board of directors may declare a dividend to be paid from the remaining net earnings. Such dividend shall be paid on all fully paid shares outstanding at the end of the period for which the dividend is declared. Shares which become fully paid during such dividend period and are outstanding at the close of the period shall be entitled to a proportional part of such dividend. Dividend credit [for a month] may be accrued on shares which are or become fully paid during the first *ten* [five] days of that month.

(2) The board of directors may, as of any dividend date,

authorize an interest refund to members of record in proportion to interest on loans paid by the member for the period preceding the interest refund date.

The Committee on Agriculture reported **HB 53**, with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 53, AN ACT relating to grain dealers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

Any person, firm, or corporation who shall purchase grain for resale in this state shall first procure a license therefor from the Kentucky Department of Agriculture before transacting such business and shall be subject to such rules and regulations as may be reasonably and appropriately promulgated by the Kentucky Department of Agriculture for its enforcement and administration of the provisions of this Act and Chapters 251 and 359 of the Kentucky Revised Statutes. Such license shall expire on June 30, and shall be renewed annually. The fee for each license shall be twenty-five dollars.

Section 2. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

Application for license shall set forth the name of the applicant, its principal officers, if a corporation; the active members of a partnership if a partnership; the location or locations of the principal office or place of business and the locations in this state at which applicant proposes to engage in this business; the fiscal year upon which the business will operate; the kind of grain which the applicant proposes to buy and handle; the type of business which the applicant proposes to conduct; the charges for drying and storage; discount for high moisture grain; and such additional information as the Department by regulation may require. The application shall be accompanied by a financial statement of the applicant setting forth the assets and liabilities and the net worth of the applicant and such other information

with respect to the financial resources of the applicant and the applicant's ability to pay producers for grain purchased as the Department may require. Applicant may, in lieu of submitting a financial statement, post a bond which must be approved by the State Board of Agriculture. In case the applicant has been engaged in business as a grain dealer for one year or more, the application shall set forth the aggregate dollar amount paid to producers for grain during the last completed fiscal year of the applicant.

Section 3. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

If the State Board of Agriculture is satisfied that the applicant is of good business reputation and has sufficient financial resources to guarantee payment to producers for grain purchased from them, it shall authorize the Department to issue a license to the applicant or shall renew the applicant's license. If the State Board at any time questions the ability of the grain dealer to pay producers for grain purchased from them, the State Board may suspend a license in effect or refuse to issue or renew a license. The State Board may require such grain dealer to file a bond in such amount and kind as would guarantee payment to producers for grain purchased from them before reinstating a suspended license or issuing a new license.

Section 4. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

The licenses issued by the Kentucky Department of Agriculture shall be posted in the licensee's place of business in this state along with charges for drying, storage and discount for high moisture grain.

Section 5. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

Any person who violates the provisions of this Act shall be fined two hundred dollars for the first offense; he shall be fined not less than five hundred nor more than one thousand dollars, and/or be confined in the county jail for not less than sixty days nor more than one hundred and twenty days, for each subsequent offense. Each day of operation in violation of the provisions of this Act shall constitute a separate offense.

The Committee Amendment to **HB 53** is as follows:

Amend printed copy of House Bill 53 on page 1, lines 3 and 4, by striking the words "shall purchase grain for resale in this state" and substituting therefor the following words: "operates a public grain storage facility in Kentucky"

and on page 2, line 16, by striking the word "purchased" and substituting therefor the word "stored"

and on page 2, line 28, by striking the word "purchased" and substituting therefor the word "stored"

and on page 3, line 1, by striking the words "from them"

and on page 3, line 4, by striking the words "purchased from" and substituting therefor the words "stored for"

and on page 3, line 8, by striking the words "purchased from" and substituting therefor the words "stored for"

The Committee on Agriculture reported **HR 10** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HCR 10, A CONCURRENT RESOLUTION endorsing federal price supports for burley tobacco.

WHEREAS, burley tobacco is a significant segment of the total agricultural product of the commonwealth; and

WHEREAS, many thousands of citizens of the commonwealth depend upon this crop for their livelihood; and

WHEREAS, members of the Kentucky delegation to the Congress of the United States have expressed strong and firm support for the continuation of federal assistance to the burley tobacco farmer by way of price supports;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That this General Assembly concurs in the position of the Kentucky delegation to the Congress of the United States which strongly endorses continuation of federal price supports for burley tobacco.

Section 2. The clerk of the House of Representatives shall send attested copies of this resolution to the Speaker of the United States House of Representatives, the President of the United States Senate, and to each Senator and Representative representing Kentucky in these bodies.

Reference of Bills and Resolutions

The Committee on Committees referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 145, HB 147, HB 149, HB 154, HB 162.**

Banking and Insurance: **HB 140, HB 141.**

Cities: **HB 137, HB 153.**

Counties and Special Districts: **HB 151, HB 155, HB 156, HB 157.**

Education: **HB 142, HB 150, HB 158.**

Elections and Constitutional Amendments: **HB 138, HB 160.**

Judiciary: **HB 139, HB 143, HB 148, HB 152, HB 159.**

Public Utilities and Transportation: **HB 161.**

State Government: **HB 144, HB 146.**

Rules: **HR 17, HR 18, HR 19, HR 20.**

Calendar

HB 5, HB 10, HB 21, HB 46, HB 67, HB 68, SB 5, and **HR 4** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

HR 22: A RESOLUTION commending the Kentucky Federation of Women's Clubs.

WHEREAS, the Kentucky Federation of Women's Clubs has since 1894 made all Kentuckians proud of its good works and service to others; and

WHEREAS, this fine organization has ever expressed interest in and concern with the public affairs of this Commonwealth; and

WHEREAS, this day, January 21, 1970, marks the final day of the federation's very successful Midwinter Conference in Frankfort, attended by 1,100 participants from all sections of the state;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky Federation of Women's Clubs be and it hereby is commended and congratulated upon the occasion of its 1970 Midwinter Conference, January 19-21, 1970.

Section 2. That the Clerk be directed to transmit a copy of this resolution to Mrs. Oscar C. Sowards, 1228 Cherokee Road, Louisville, Kentucky 40204.

Representative Blythe moved the adoption of **HR 22.** Agreed.

The following members requested that they be added as co-sponsors of **HR 22:**

Representatives 93—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Sim-

mons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom.

Orders of the Day

HB 13 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 95—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 13 was passed and the title agreed to.

HB 22 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 95—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene,

Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ratliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Nays 0.

HB 22 was passed and the title agreed to.

HR 15 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

HCR 15, A CONCURRENT RESOLUTION requesting the Congress of the United States to expand the National Cemetery System.

WHEREAS, figures compiled by the Department of Defense show that approximately twenty percent of the servicemen who lost their lives in the fight for freedom in Vietnam have been buried in national cemeteries; and

WHEREAS, many more would probably have been buried in a national cemetery had there been space available near the home of the next of kin; and

WHEREAS, over the past years there has been a determined effort on the part of some federal agencies to sharply curtail or do away with altogether any further provision for national cemeteries; and

WHEREAS, present-day burial expenses are sufficiently high without placing on the veteran's and servicemen's dependent the added cost of purchasing a burial plot; and

WHEREAS, the burial allowance of the Veterans Administration and that provided under Social Security are far too meager to provide for the last rites of most veterans and servicemen; and

WHEREAS, it appears that the national cemetery system will be ended as soon as present facilities are exhausted, although such an end would be a rank departure from the venerable precedent that veterans who have served their nation

in time of war are entitled to burial rites provided by the United States Government;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Kentucky General Assembly strongly urges the Congress of the United States to take such action as necessary to forestall the conclusion of the national cemetery system, and recommends further expansion of the national cemetery system, with the exception of the Arlington National Cemetery, as many national cemeteries have already exhausted available space.

Section 2. That the Department of Defense be, and hereby is, requested to establish an adequate and permanent national cemetery system to make national cemeteries available with burial spaces for all United States military servicemen and women who are entitled to the same.

Section 3. That the Chief Clerk of the House of Representatives be, and he is hereby, requested to transmit copies of this Resolution to The Honorable Richard M. Nixon, President of the United States; The Honorable Melvin Laird, Secretary of Defense; to the presiding officers of the House of Representatives and the Senate of the United States; and to each member of the Kentucky delegation in Congress.

On the roll call the vote was yeas 94—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swin-

ford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HCR 15 was adopted and the title agreed to.

HR 17 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative Conn moved the adoption of **HR 17.** Agreed.

HR 17, A RESOLUTION relating to air pollution standards.

WHEREAS, clean air is necessary to the maintenance of human, plant and other animal life upon this planet as well as the preservation of materials and property; and

WHEREAS, air is a precious and limited natural resource; and

WHEREAS, the quality of the air we breathe is constantly deteriorating because of pollution from a variety of sources; and

WHEREAS, the General Assembly established the Kentucky Air Pollution Control Commission to protect the health and welfare of the people of the Commonwealth from danger caused by air pollution; and

WHEREAS, the Kentucky Air Pollution Control Commission has hired staff members of considerable excellence and has named committees of concerned and responsible citizens to help them perform the Commission's vital function; and

WHEREAS, the members of the staff and members of the committees of the Kentucky Air Pollution Control Commission have, after public hearings, made recommendations to the Commission regarding air quality standards for particulates and sulfur dioxides for the purpose of their adoption; and

WHEREAS, these recommended standards are the absolute minimum required to provide for the protection of the health and welfare of all Kentuckians,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That it is the expression of the Kentucky House of Representatives that the standards recommended by the staff and committees of the Kentucky Air Pollution Control Commission be adopted by the Commission.

Section 2. That it is the expression of the House of Representatives of the Kentucky General Assembly that, upon adoption, the Kentucky Air Pollution Control Commission develop a program to implement the standards within three years from the time of adoption.

Section 3. That the Speaker of the Kentucky House of Representatives is hereby empowered and requested to appoint a committee of three members of this body to appear at a public meeting to be held by the Kentucky Air Pollution Control Commission on Thursday, January 22, 1970, and convey the expression of the Kentucky House of Representatives as set forth in this resolution.

HR 18 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative Rickert moved the adoption of **HR 18.** Agreed.

HR 18, A RESOLUTION requesting and petitioning the Kentucky Department of Highways to take immediate corrective action to remedy the dangerous intersection of US 31-W and KY 835 within the city of West Point, Kentucky.

WHEREAS, motor vehicles coming north on heavily traveled US 31-W often round the curve preceding this intersection and find a vehicle stopped to make a left turn; and,

WHEREAS, several Kentucky State Policemen familiar with this area consider this intersection the most dangerous point on US 31-W; and,

WHEREAS, eleven deaths have occurred at this intersection since 1961, with four of these occurring in 1969; and,

WHEREAS, the West Point school bus, carrying elementary and high school students, passes through this hazardous intersection four times each day; and,

WHEREAS, a previous study by the Highway Department failed to consider the number of accidents, near-accidents, injuries, and deaths at this intersection; and,

WHEREAS, Mayor Edward Y. Mason of West Point has for ten years, solicited remedial action by the Department of Highways; and,

WHEREAS, A news article in the Louisville Times dated January 9, 1970 points out that this problem has been ignored.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Kentucky Department of Highways is hereby directed to take immediate action to correct the traffic hazards at the intersection of US 31-W and KY 835 within the city of West Point, Kentucky; such action may be one or more of the following:

(1) the immediate installation of a caution light and warning signs,

(2) straightening the curve just south of the intersection on 31-W,

(3) the construction of a left turn lane,

(4) a cloverleaf underpass and overpass, and

(5) the installation of a traffic light and guardrail; and,

That the Clerk of the House send copies of this resolution to the Commissioner, Department of Highways, the Highway District Engineer, Elizabethtown, Kentucky, Mayor Edward Mason of West Point, and to each of the six members of the West Point city council as follows:

1. Mrs. Dennis Mudd
2. Mrs. Eric Reeson
3. Mr. Jack Lansdale
4. Mr. Ellis Snowden
5. Mr. Chesley Harvey
6. Mr. Gene Reesey

Representative McBrayer moved that consideration of **HR 19** be deferred and that it retain its position in Orders of the Day. Agreed.

HCR 11 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

On the roll call the vote was yeas 94—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HCR 11 was adopted and the title agreed to.

HR 20 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative Ruh moved the adoption of **HR 20.** Agreed.

HR 20, A RESOLUTION directing the committee on State Government of the House of Representatives to investigate certain contracts of the Commonwealth.

WHEREAS, the House of Representatives of the Commonwealth of Kentucky takes cognizance of the use of foreign-made products by state agencies, including microphones made in Austria in the House Chamber; and

WHEREAS, it is the policy of the General Assembly and of this House that products made in this Commonwealth should be favored over all others; and

WHEREAS, this House, nevertheless, endorses the use of

other products if substantial savings may be realized by their use; and

WHEREAS, such savings should be a part of every contract entered into by the Commonwealth which results in the use of foreign-made products;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

1. That the committee on State Government of this House of Representatives is directed to investigate those contracts of the Commonwealth which result in the use of foreign-made products by state agencies to determine if a substantial saving to the taxpayer in fact results from the use of such products and if that saving is written into the terms of the contract.

2. That the committee on State Government of this House of Representatives is directed to report the results of the investigation to the House of Representatives as soon as may reasonably be possible.

Announcements

The clerk announced the following Bills and Resolutions were posted for consideration:

Health and Welfare: **HB 12, HB 33, HB 64, HB 76, HB 48.** (Room 402, January 23, 1970, 9:30 a.m.)

Business Organizations and Professions: **HB 37, HB 63.** (Room 403, January 23, 1970, 11:00 a.m.)

Representative Stuart moved that the Rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 188, by Representatives Stuart, Wheeler and DeMarcus: AN ACT relating to unsolicited credit cards.

HB 189, by Representatives Stuart, Wheeler and DeMarcus: AN ACT pertaining to deceptive trade practices.

HB 190, by Representatives Stuart, Wheeler, and DeMarcus: AN ACT to regulate the business of debt management.

HB 191, by Representatives Stuart, Wheeler and DeMarcus: AN ACT relating to credit cards and similar devices and providing penalties in connection therewith.

HB 192, by Representatives Stuart, Wheeler and DeMarcus: AN ACT related to unsolicited goods.

The Speaker appointed a committee of three members to appear at a public meeting concerning Pollution Control as empowered by House Resolution 17. The following members were appointed: Representatives Conn, Kenton and Schmidt.

Representative McBrayer announced a meeting of the Committee Chairmen in the Speaker's office on adjournment.

A meeting of the Democratic Freshmen Caucus was announced for January 22, 1970, on adjournment, in the Democratic Caucus Room.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Thursday, January 22, 1970.

On the roll call the vote was yeas 75—Alexander, Allen, Baker, Blandford, Blume, Blythe, Archie Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, T. P. Reynolds, Rickert, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, John E. White, Wible, Wright, Wyatt, Yocom. Nays 2—Pollitte, Siemens.

The motion to adjourn was adopted.

THURSDAY, JANUARY 22, 1970
FOURTEENTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Charles N. King of the Corinthian Baptist Church, Frankfort.

The roll was called. All present except Representative McGill.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 21, 1970, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SB 18, SB 42** and **SB 44.**

Introduction of Bills and Resolutions

HB 193, by Representatives Wible, Paxton, Blume, Parish, Yocom, Graves, W. J. Reynolds and Siemens: AN ACT relating to tort liability of the Commonwealth and other governmental units.

HB 194, by Representatives Wible, Carter, Deskins, Clarke, Paxton, Blume, Parish, Yocom, Siemens and W. J. Reynolds: AN ACT relating to the financial responsibility law.

HB 195, by Representatives Ray, Donnermeyer, Murphy, King, Kenton, Chapman, Siemens, Nett, Yocom, Priddy, Roberts, Blandford, Sharpe, A. Brown, Mershon, Ruh, Miller, Isler, Kleier and Wenz: AN ACT relating to supplemental pay for police officers.

HB 196, by Representatives Yocom, Nett and Kleier: AN ACT relating to the Council on Public Higher Education.

HB 197, by Representatives Yocom, Nett, Siemens and Ray: AN ACT relating to safety and Health of employes.

HB 198, by Representatives Keene, Kenton, Schmidt, Kidd, Donnermeyer, Mershon, Ruh, Wyatt, Blume, Murphy, Isler, Kleier and Nett: AN ACT relating to education.

HB 199, by Representative McNamara: AN ACT relating to assessment and cooperative insurance companies.

HB 200, by Representative Kenton: AN ACT relating to the conduct of elections.

HB 201, by Representatives Rickert, Lindsay, Keene, Nett, Simmons, J. E. White, Allen and J. A. Davis: AN ACT relating to the slow-moving vehicle emblem.

HB 202, by Representative Isler: AN ACT relating to the conduct of elections.

HB 203, by Representative Isler: AN ACT relating to exempting governmental units from the sales tax.

HB 204, by Representatives Murphy, Donnermeyer, Clapp, J. O. Hardin, J. E. White and Siemens: AN ACT relating to governmental purchasing.

HB 205, by Representatives Hughes, Kleier, Yocom and Wyatt: AN ACT relating to location of offices of circuit and county clerks.

HB 206, by Representatives Hughes and Yocom: AN ACT relating to transportation of pupils.

HB 207, by Representative Durham: AN ACT relating to voting machines.

HB 208, by Representative Baker: AN ACT relating to the Kentucky Code of Military Justice.

HB 209, by Representatives Priddy, Ray, Wyatt, Roberts, Chapman, Kleier, Blandford, Siemens, Yocom, Prather, Nett, Wright, Osborne, Rattliff, Conn and DeMarcus: AN ACT relating to the education of exceptional children.

HB 210, by Representatives Stuart, DeMarcus and Wheeler: AN ACT to provide for mandatory inspection of the slaughter of

poultry and rabbits and the processing of poultry and rabbits and poultry and rabbit products solely for distribution in this State; for the regulation of the distribution of poultry and rabbit and poultry and rabbit products within this State; for the regulation of related industries; for cooperation with the United States Department of Agriculture; and for penalties for violations, detention, seizure and other enforcement authorities.

Reference of Bills and Resolutions

The Committee on Committees referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 179, HR 23.**

Banking and Insurance: **HB 174, HB 184.**

Business Organizations and Professions: **HB 166, HB 189.**

Cities: **HB 178.**

Counties and Special Districts: **HB 165, HB 182.**

Health and Welfare: **HB 171, HB 185.**

Judiciary: **HB 167, HB 168, HB 181, HB 183, HB 187, HB 188, HB 190, HB 191.**

Labor and Industry: **HB 163, HB 169, HB 172, HB 177, HB 180, HB 186.**

Public Utilities and Transportation: **HB 164, HB 170, HB 173.**

State Government: **HB 175, HB 176, HB 192.**

Rules: **HR 21.**

Report of Committees

The Committee on Rules reported **HB 5, HB 10, HB 67, HB 68, SB 5, HR 4** and **HR 10** have been posted for passage in Orders of the Day, January 23, 1970.

The Committee on Education reported **HB 25** with Committee Amendment attached thereto, **HB 26, HB 60, HB 52** with

Committee amendment attached thereto, and **HB 59** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 25, AN ACT relating to community colleges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 164.591 of the Kentucky Revised Statutes is amended to read as follows:

A community college shall be maintained in each of the following locations: Ashland, Carrollton, [Covington,] Cumberland, Elizabethtown, Glasgow, Henderson, Hopkinsville, Madisonville, Prestonsburg, Somerset, Blackey-Hazard, Jefferson County and Mason County.

Section 2. A new section of Chapter 164 of the Kentucky Revised Statutes is created to read as follows:

Upon prior concurrence of the Board of Trustees of the University of Kentucky and the Board of Regents of the Northern Kentucky State College, the Covington Community College shall be operated by the Board of Regents of the Northern Kentucky State College and shall no longer be considered part of the University of Kentucky Community College System. The Board of Regents of the Northern Kentucky State College shall provide programs of a community college nature at Covington Community College comparable to those listed for the University of Kentucky Community College System, as provided in this chapter.

Section 3. A new section of Chapter 164 of the Kentucky Revised Statutes is created to read as follows:

All property of the Covington Community College and all property and educational equipment of the University of Kentucky designated for use by the Northern Community College shall become the property of the Northern Kentucky State College.

Any funds accruing to the Covington Community College not previously expended while operated by the University of Kentucky as the result of any contract or agreement with any agency or instrumentality of the United States Government, the

Commonwealth of Kentucky or local units of government shall be transferred to the Northern Kentucky State College.

The Committee Amendment to **HB 25** is as follows:

Amend printed copy of House Bill 25 on page 2, lines 1, 6, 11 and 16 by:

Changing "The Covington Community College"
to read "The Northern Community College at Covington".

HB 26, AN ACT relating to appointment of faculty and student non-voting members to the Board of Regents of the Northern Kentucky State College.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 164.293 is amended to read:

(1) There is hereby recognized as established and maintained a state college in this Commonwealth to be designated and known as Northern Kentucky State College, the location of which shall be determined by the Council on Public Higher Education on the advice of a group of twelve persons from the northern section of the state, to be appointed by the Governor, not more than six of whom shall belong to the same political party.

(2) All the provisions of KRS Chapter 164, with the exception of KRS 164.295 (2) and KRS 164.320 [(1)] (2) and (3), applying to the state universities and Kentucky State College, shall apply to Northern Kentucky State College.

Section 2. KRS 164.320 is amended to read:

(1) The Board of Regents for Eastern Kentucky University, Morehead State University, Murray State University, Western Kentucky University, [and] Kentucky State College *and Northern Kentucky State College* shall each consist of the Superintendent of Public Instruction who shall be Chairman of the Board, six members appointed by the Governor, one non-voting member of the teaching faculty, and one non-voting member of the student body of the respective university or college.

(2) The terms of appointed members shall be for four years, and until their successors are appointed and qualified.

Such appointments shall be made by the Governor within thirty days after the expiration of the term of each member. If the Governor should fail to make any such appointment within thirty days after the expiration of the term of any member, the remaining members of the Board of Regents of the particular university or college whose terms shall not have expired, shall make such appointment within sixty days after the expiration of such term.

(3) The Board of Regents for Northern Kentucky State College shall consist of the Superintendent of Public Instruction, who shall be chairman of the board, and six members appointed by the Governor. On July 1, 1968, the Governor shall appoint six members to the Board of Regents of Northern Kentucky State College. One member shall serve until April 1, 1969, one until April 1, 1970, two until April 1, 1971, and two until April 1, 1972.

(4) Not more than two appointed members of any board shall be residents of one county; nor more than three of the appointed members of any board shall belong to the same political party. Membership on the board shall not be incompatible with any other state office.

(5) Appointments to fill vacancies shall be made in the same manner and within the same time after the occurrence of the vacancy as regular appointments. The person appointed shall hold the position for the unexpired term only.

(6) Each appointed member of the board shall, at the first meeting following his appointment, take an oath to faithfully discharge his duties.

(7) Each member of the board shall serve for the term for which he is appointed and unil his successor is appointed and qualified.

(8) The non-voting faculty member shall be a teaching or research member of the faculty of his respective university or college of the rank of assistant professor or above. He shall be elected by secret ballot by all faculty members of his university or college of the rank of assistant professor or above. The faculty member shall serve for a term of three years and

until his successor is elected and qualified. The faculty member shall be eligible for re-election, but he shall not be eligible to continue to serve as a member of such board if he ceases being a member of the teaching staff of the univerity or college. Elections to fill vacancies shall be for the unexpired term in the same manner as provided for original election.

(9) The non-voting student member shall be the president of the student body of the university or college on whose Board of Regents he is to serve. If the president of the student body is not a full-time student who maintains permanent residency in the Commonwealth of Kentucky, a special election shall be held to select a full-time student who does maintain permanent residency in this Commonwealth as the non-voting student member.

HB 60, AN ACT relating to leave of absence contracts between district boards of education and certificated employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 161 of the Kentucky Revised Statutes is created to read as follows:

(1) Each district board of education is authorized to enter into a contract with certificated school employes who have been employed in the school system for not less than four years for the purpose of granting a leave of absence to such employes; each district board of education is further authorized to pay to such certificated employes a sum of money not to exceed the amount of the employes annual salary if the employe agrees that the leave shall be for the purpose of education, travel, or other purpose calculated to aid the employe in better performing his or her duties and that upon termination of the leave of absence the employe will return to and remain in service for a period of time equal to time of leave granted.

(2) Each district board of education may adopt regulations setting forth other terms and conditions under which leave of absence contracts will be issued.

(3) Payments made by a district board of education under the authority of this Act are presumed to be for services rendered

and for the benefit of the common schools; and such payments shall not affect the eligibility of any school system to participate in the foundation program as established in KRS Chapter 157.

HB 52, AN ACT relating to the Teachers' Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) The retirement allowance of a member retiring for service July 1, 1966, or thereafter [whose age at retirement is sixty years or more] shall be the sum of (a) the prior service years multiplied by forty dollars and (b) two percent of the annual salary in Kentucky multiplied by the number of years of service credit after July 1, 1941. [The retirement allowance of a member whose age at retirement is less than sixty shall be reduced at the rate of five percent for each year that the member is less than sixty.] Actuarial factors in use by the retirement system for all purposes shall be determined by the actuary of the retirement system and approved by the board of trustees.

(2) The retirement allowance of a member whose age as of July 1, 1966, is sixty-five or older shall be the larger as computed by the two methods hereinafter described: (a) applying the procedures as set forth in subsection (1) of this section or; (b) one percent of his average annual salary for prior service for each year of prior service credit plus one and three-fourths percent of his annual salary for each year after July 1, 1941, increased in accordance with the actuarial equivalents in use by the teachers' retirement system as of July 1, 1965.

(3) The retirement allowance of all teachers retired prior to July 1, 1964, shall be increased by: (a) the amount of ten percent or; (b) multiplying the total number of years of service by forty-five dollars, whichever is greater. Effective July 1, 1967, and annually on July 1 thereafter the annual retirement allowance of each retired teacher shall be increased in the amount of one percent of the retirement allowance in effect on July 1, 1967, or the date of retirement, whichever occurs later.

(4) For any member retiring on or after July 1, 1955, no retirement allowance at time of retirement shall be greater than three-fourths of the annual salary unless such allowance shall result from the application of a statutory minimum.

(5) Any teacher qualifying for retirement shall be entitled to receive an annual allowance amounting to not less than forty-five dollars multiplied by the service credit years of the teacher, except that no retired teacher shall receive a monthly benefit of less than fifty-five dollars.

(6) The minimum provided in this section shall apply in the case of teachers retired or retiring under an option in the same proportion to the benefits of the teachers and his beneficiary or beneficiaries.

The Committee Amendment to **HB 52** is as follows:

Amend printed copy of House Bill 52 on page 1, line 4, by:

placing brackets around the figure "1966" and inserting in front thereof the figures *"1970"*

and on page 3, below line 4, by adding thereto the following:

"Section 2. Section 161.540 of the Kentucky Revised Statutes is amended to read as follows:

Each member shall contribute to the retirement system [seven] *seven and three-fourths* percent of his annual compensation. The contribution of a member shall not exceed this percentage on his current annual compensation."

HB 59, AN ACT relating to Teachers' Tenure.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.750 of the Kentucky Revised Statutes is amended to read as follows:

(1) A written limited contract shall be entered into by each board of education with each teacher who is not eligible for a continuing contract as defined in KRS 161.740.

(2) Any teacher employed under a limited contract and ineligible for a continuing contract shall at the expiration of

such limited contract be deemed reemployed under the provisions of KRS 161.720 to 161.810 for the succeeding school year at the same salary plus any increment or decrease as provided by the salary schedule, unless the employing board shall give such teacher written notice on or before the fifteenth day of May of its intention not to reemploy him; *upon request by the teacher, such written notice shall contain the specific reason or reasons why the teacher is not being reemployed.* Such teacher shall be presumed to have accepted such employment, unless he shall notify the board of education in writing to the contrary on or before the fifteenth day of June, and a written contract for the succeeding year shall be executed accordingly.

Section 2. Section 161.760 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each board of education shall cause notice to be given annually not later than July 1 to each teacher who holds a contract valid for the succeeding school year, stating the best estimate as to the salary to be paid such teacher during such year. Such salary shall not be lower than the salary paid during the preceding school year unless such reduction be a part of a uniform plan affecting the entire district, or unless there is a reduction or elimination of extra service, administrative and/or supervisory duties and responsibilities of the teacher or other certified personnel. *Upon request by the teacher, any reduction or elimination of extra service, administrative and/or supervisory duties and responsibilities shall be accompanied by a written statement of the specific reason or reasons for such reduction or elimination.* But nothing herein shall prevent increases of salary after the board's annual notice has been given. All teachers who refuse assignment shall notify the superintendent in writing not later than July 15. Reassignment of certificated personnel after July 15 shall be made only to fill vacancies created by illness, death or resignations; to reduce or increase personnel because of a shift in school population; to make personnel adjustments after consolidation or merger, to assign personnel according to their major or minor fields of training.

(2) Upon recommendation of the superintendent and approval of the board of education reduction of responsibility for a teacher may be accompanied by a corresponding reduction

in salary; provided that written notification setting forth the *specific* reason or reasons for such reduction shall be furnished the teacher not later than May 15.

(3) Employment of a teacher, under either a limited or a continuing contract, is employment in the school district only and not in a particular position or school.

The Committee on Counties and Special Districts reported **HB 19** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 19, AN ACT relating to levee districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 266 of the Kentucky Revised Statutes is created to read as follows:

For the purpose of providing protection to lives and property by means of construction of levees, two or more counties may join together to form a levee district.

Section 2. A new section of Chapter 266 of the Kentucky Revised Statutes is created to read as follows:

Before a county may participate in a multi-county levee district, the county court shall determine that such participation is feasible and necessary. Such determination shall be made only after a duly advertised public hearing has been held by the county court.

Section 3. A new section of Chapter 266 of the Kentucky Revised Statutes is created to read as follows:

When the county court determines that a county shall participate in a multi-county levee district, it shall appoint commissioners as provided in KRS 266.030 to perform the duties outlined in KRS 266.040. If an adequate preliminary study and survey is in existence, the court need not comply with the provisions of KRS 266.030 to KRS 266.080.

Section 4. Section 266.100 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county court shall, when it establishes a levee, and every four years thereafter, appoint five resident landowners of the vicinity of the levee to be known as the Board of Levee Commissioners. The commissioners shall serve for a term of four years and until their successors are appointed. The county court shall fill any vacancies in the board.

(2) When a multi-county levee district is established the board shall be appointed by the county courts of the counties involved. Appointments shall be apportioned among the counties in ratio to the portion of the levee to be constructed within each county.

(3) [(2)] The Board of Levee Commissioners is a body-politic, with the status of a corporation, and in its corporate name may do everything authorized by law with reference to public levees.

Calendar

HB 53 and **HB 88** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HR 19 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative Rickert moved the adoption of **HR 19.** Agreed.

HR 19, A RESOLUTION requesting and petitioning Senators John Sherman Cooper and Marlow W. Cook, Representatives William H. Natcher, M. G. Snyder and William O. Cowger to obtain congressional directive, instructing the U.S. Army Corps of Engineers or other proper Federal authority to conduct an updated economic feasibility study for building a floodwall on the Ohio River and Salt River for flood protection

of the northern Hardin County community of West Point, Kentucky, and immediate vicinity.

WHEREAS, there has been repeated flooding of the Ohio and Salt Rivers causing serious disruptions in the lives of the people and extensive property damage to the community of West Point and the contiguous portion of southwestern Jefferson County; and

WHEREAS, an economic feasibility study was made by the U. S. Army Corps of Engineers on southwestern Jefferson County as a result of the 1964 floods, concluding that a floodwall for southwestern Jefferson County was feasible and this project is now awaiting Congressional appropriations; and

WHEREAS, that particular study failed for unexplained reasons, to include the West Point area; and

WHEREAS, the West Point area is on the same contiguous flood plain as southwestern Jefferson County and is an integral part of the Jefferson County economy, being bounded on the north by the metropolitan area of Louisville and Jefferson County and on the south by the Fort Knox military reservation; and

WHEREAS, flood protection for both the northern Hardin County community of West Point and southwestern Jefferson County would enhance the property values in this area and greatly improve the economy of the area; and

WHEREAS, significant economic changes have occurred in the West Point area since the latest studies of 1960, and the same reasons for updating the 1960 southwestern Jefferson County studies also apply equally to the West Point area; namely, the damage and suffering resulting from the 1964 floods; and

WHEREAS, there is great need for flood-safe building space in the area between the great metropolitan area of Louisville and Fort Knox, and in the future such pressures will be even greater; and

WHEREAS, copies of a similar resolution requesting such a study, passed in the 1968 Kentucky House of Representatives, were sent to Kentucky's two United States Senators and three United States Representatives, and no response or explanation

of any kind has been received by West Point mayor or city council as a result of said request; and

WHEREAS, since the 1968 General Assembly flood damage and disruption has continued to occur in the West Point area.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the U. S. Corps of Engineers or other proper Federal authority be directed by the United States Congress to make an updated economic feasibility study of the possibility of building a floodwall along the Ohio and Salt Rivers providing flood protection for the northern Hardin County community of West Point and the immediate vicinity; and

That the Clerk of the House send copies of this resolution to Senators John Sherman Cooper and Marlow W. Cook, Representatives William H. Natcher, William O. Cowger and M. G. Snyder, Mayor Edward Mason of West Point, and to each of the six members of the West Point city council as follows: Mrs. Dennis Mudd, Mrs. Eric Reesor, Mr. Jack Lansdale, Mr. Ellis Snawder, Mr. Chester Harvey and Mr. Gene Reeser.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Labor and Industry: **HB 47, HB 80, SB 38.** (Room 401, January 23, 1970, 11:00 a.m.)

Judiciary: **HB 36.** (Room 402, January 23, 1970, 10:00 a.m.)

Representative McBrayer moved that the House adjourn until 1:00 p.m., Friday, January 23, 1970.

On the roll call the vote was yeas 76—Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Hershel Brown, Carter, Chapman, Collins, Conn, Curlin, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Hinkle, Holloway, Hughes, Isler,

Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 2—King, Siemens.

The motion to adjourn was adopted.

FRIDAY, JANUARY 23, 1970

FIFTEENTH LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by the Reverend Charles N. King of the Corinthian Baptist Church, Frankfort.

The roll was called. All present except Representatives Carroll, Dorris, McGill, R. Reynolds, Ruh, Simmons and Wible.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 22, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 211, by Representative Swinford: AN ACT relating to courts.

HB 212, by Representative Head and Keene: AN ACT relating to moisture testing.

HB 213, by Representative Isler and Mershon: AN ACT relating to the conduct of elections.

HB 214, by Representative Yocom: AN ACT relating to free hunting and fishing licenses for disabled persons.

HB 215, by Representatives McKinney, Nett, Knuckles, Ray, Sharpe, A. Brown, L. T. Hardin, Collins, Paxton, West, Salyers, Massey, Allen, H. Brown, Arnett and Kessinger: AN ACT to establish professional negotiation between boards of education and professional associations representing certified personnel.

HB 216, by Representatives Wyatt, Kenton, Conn, Kidd, Yocom, Siemens, Blume, Blythe, Kleier, Wright, Chapman, Peak, Holloway, Roberts, Louden, Hughes, Nett, Priddy, Miller, Ray,

Stuart, McCann and Isler: AN ACT creating a reapportionment commission.

HB 217, by Representatives Kenton, Mershon, Blume, Chapman and Freeman: AN ACT relating to operation of motor vehicles.

HB 218, by Representatives E. G. Brown, Massey, Osborne, and Blythe: AN ACT relating to interest and usury.

HB 219, by Representatives Prather, Rickert, McBrayer, Wheeler, Lovins, Wyatt, Head, Kleier, Nett, Hughes, Mershon, Chapman, Conn, Priddy, Yocom, Siemens, Ray, Carter, Van Horn, Isler, King, Kessinger, McCann, Dorris, Blume and Kenton: AN ACT relating to the state income tax.

HB 220, by Representatives Holloway, Yocom, Hughes, Priddy, Blume, Floyd, H. Brown, Siemens, Ray, Wright, Stuart, Nett and Kleier: AN ACT relating to county police force merit boards.

HB 221, by Representative Swinford: AN ACT relating to wills.

HB 222, by Representatives Ray, McKinney, Nett, Priddy, Hughes and King: AN ACT providing for the recovery of damage for loss of consortium.

HB 223, by Representatives Bruce, Hinkle and McNamara: AN ACT relating to school bus service.

HB 224, by Representative Murphy: AN ACT relating to social security.

HB 225, by Representative Siemens: AN ACT to repeal the Sunday closing law and to take the sense of the people thereon.

HB 226, by Representatives Durham, DeMarcus, Kenton, L. T. Hardin, Sharpe and W. Davis: AN ACT relating to registration of securities.

Senate Message

Announcing passage of **SB 10, SB 21, SB 32** and **SB 59.**

The Speaker announced that **HB 147** was incorrectly referred to the Committee on Appropriations and Revenue. It

is now referred to the Committee on Elections and Constitutional Amendments.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 210.**

Appropriations and Revenue: **HB 195, HB 203, HB 207.**

Banking and Insurance: **HB 199.**

Counties and Special Districts: **HB 205.**

Education: **HB 196, HB 198, HB 206, HB 209.**

Elections and Constitutional Amendments: **HB 200, HB 202.**

Health and Welfare: **SB 18.**

Highways and Traffic Safety: **SB 42, SB 44.**

Public Utilities: **HB 194, HB 197.**

State Government: **HB 193, HB 201, HB 204, HB 208.**

Report of Committees

The Committee on Health and Welfare reported **HB 12** with Committee amendment attached thereto with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 12, AN ACT relating to Workmen's Compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 342.316 is amended to read:

Occupational disease; defined; time for claim; proof; allowance; employer liable; subsequent injuries.

(1) "Occupational disease" as used in this chapter means a disease arising out of and in the course of the employment. Ordi-

nary diseases of life to which the general public is equally exposed outside of the employment shall not be compensable, except where such diseases follow as an incident of an occupational disease as defined in this section.

(a) A disease shall be deemed to arise out of the employment only if there is apparent to the rational mind, upon consideration of all the circumstances, a direct causal connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident to the work as a result of the exposure occasioned by the nature of the employment and which can be fairly traced to the employment as the proximate cause. [and which does not come from a hazard to which workmen would have been equally exposed outside of the employment.] The disease shall be incidental to the character of the business and not independent of the relationship of employer and employe. The disease need not have been foreseen or expected but, after its contraction, it must appear to have had its origin in a risk connected with the employment and to have flowed from that source as a rational consequence.

(b) "Injurious exposure" as used in this section shall mean that exposure to occupational hazard which would, independently of any other cause whatsoever, produce or cause the disease for which claim is made.

(2) The procedure with respect to the giving of notice and as to the filing of claims and determination thereof in occupational disease cases and the compensation and medical benefits payable for disability or death due to such disease shall be the same as in cases of accidental injury or death under the general provisions of this chapter except that notice of claim shall be given to the employer as soon as practicable after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted such disease, or a diagnosis of such disease is first communicated to him, whichever shall first occur.

(3) The right to compensation under this chapter for disability resulting from an occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within one year after the last injurious exposure to the

occupational hazard or after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted the disease, whichever shall last occur; and if death results from the occupational disease within said period, unless a claim therefor be filed with the Workmen's Compensation Board within one year after such death; provided, however, that notice of such claim shall be deemed waived in case of disability or death where the employer, or his insurance carrier, voluntarily makes payment therefor, or, if the incurrence of the disease or the death of the employe, and its cause was known to the employer. Provided, however, that the right to compensation for any occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within five years from the last injurious exposure to the occupational hazard, except that, in cases of radiation disease, a claim must be filed within ten years from the last injurious exposure to the occupational hazard.

(4) In claims for compensation due to the occupational disease of silicosis or any other compensable pneumoconiosis it must be shown that the employe was exposed to the hazards of the disease in his employment within this state for at least two years immediately next before his disability or death.

(5) The amount of compensation payable for disability due to occupational disease or for death from such disease, and the time and manner of its payment, shall be the same as provided for accidental injury or death under the general provisions of the Workmen's Compensation Act, but in no event to exceed such amounts as were in effect at the time of the last injurious exposure, and provided further, that the time of the beginning of compensation payments shall be the date of the employe's last injurious exposure to the cause of the disease, or the date of actual disability, whichever is later, and provided further, that in case of death where the employe has been awarded compensation or made timely claim within the period provided for in this section, an employe has suffered continuous disability to the date of his death occurring at any time within ten years from the date of disability, his dependents, if any, shall be awarded compensation for his death as provided for under the general

provisions of the Workmen's Compensation Act and in this section.

(6) In case of disability or death from silicosis, *coal workers' pneumoconiosis,* or any other compensable pneumoconiosis, complicated with tuberculosis of the lungs, *pulmonary emphysema or other pulmonary dysfunction and there has been employment exposure to harmful dust or industrial hazards reasonably competent to produce such accompanying disease or dysfunction, there is a rebuttable legal presumption that all resultant disability therefrom is work related and compensable, and* compensation shall be payable as for the uncomplicated disease, provided, however, that the disease *or dysfunction* was an essential factor in causing such disability or death.

(7) If an autopsy has been performed, no testimony relative thereto shall be competent unless the employer or his representative and a representative of the deceased employe shall have participated therein or been given reasonable opportunity to do so.

(8) No compensation shall be payable for occupational disease if the employe at the time of entering the employment of the employer by whom compensation would otherwise be payable, falsely represented himself, in writing, as not having been previously disabled, laid off, or compensated in damages or otherwise, because of such disease, or failed or omitted truthfully to state to the best of his knowledge, in answer to written inquiry made by the employer, the place, duration and nature of previous employment, or, to the best of his knowledge, the previous state of his health.

[(9) Where an occupational disease is aggravated by other disease or infirmity not itself compensable, or where disability or death from any other cause not itself compensable, is aggravated, prolonged, accelerated or in anywise contributed to by occupational disease the compensation payable shall be reduced and limited to such proportion only of the compensation that would be payable if occupational disease were the sole cause of the disability or death as such occupational disease, as a causative factor, bears to all causes of such disability or death, such reduction in compensation to be affected by reducing the number of weekly or monthly payments or the amount of such payments as

under the circumstances of the particular case may be for the best interests of the claimant or claimants.]

(9) [10] No compensation for death from occupational disease shall be payable to any person whose relationship to the deceased, which, under the provisions of this chapter would give right to compensation, arose, subsequent to the beginning of the first compensable disability, save only to after-born children of a marriage existing at the beginning of such disability.

(10) [11] Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the general provisions of this chapter and it is subsequently discovered, at any time before the final disposition of such cause, that the claim for injury, disability or death which was the basis for such application should properly have been made under the provisions of this section, then the application so filed may be amended in form or substance, or both, to assert a claim for such injury, disability or death under the provisions of this section, and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant to the provisions of this chapter. When such amendment is submitted, further or additional evidence may be heard by the board when deemed necessary. Nothing this section contains shall be construed to be or permit a waiver of any of the provisions of this chapter with reference to notice of time for filing of a claim, but notice of filing a claim, if given or done, shall be deemed to be a notice of filing of a claim under provisions of this chapter, if given or done within the time required herein.

(11) [12] When an employe has an occupational disease that is covered by this chapter, the employer in whose employment he was last injuriously exposed to the hazard of the disease, and the employer's insurance carrier, if any, at the time of the exposure, shall alone be liable therefor, without right to contribution from any prior employer or insurance carrier; except as otherwise provided herein.

(12) [13] (a) The employer liable for compensation for occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of dis-

ablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, shall be the employer in whose employment the employe was last exposed to the hazard of such occupational disease during a period of six months or more. In those cases where disability or death are not conclusively proven to be the result of such last exposure all compensation shall be paid out of the Special Fund. In all other cases of occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, the compensation for disability or death due to such diseases shall be paid jointly by the employer and the Special Fund, and the employer shall be liable for sixty percent of the compensation due and the Special Fund shall be liable for forty percent of the compensation due. Provided, however, that when there is a joint award against the carrier or self-insured employer and the Special Fund under this section, all of the compensation awarded shall be paid by the carrier or self-insured employer, and the carrier or self-insured employer shall be reimbursed for such payments from the Special Fund on a quarterly basis and under such regulations as the board may provide for such purpose.

(b) In all claims for compensation partially payable by the Special Fund the Commissioner of Labor, as custodian of said fund, shall be designated as co-defendant.

(c) In all agreements for the payment of compensation and awards the amount payable by the employer and the amount payable out of the Special Fund shall be separately stated. An award against the employer shall be for only the percentage of the total compensation which the employer is obligated to pay. A separate award shall be made against the Special Fund for the balance of the compensation payable. Nothing in this section shall prohibit the Commissioner of Labor, as custodian of the Special Fund, from entering into agreements to pay the compensation for which it is liable; provided, however, that where compensation is payable by both the employer and the Special Fund, the commissioner shall not enter into an agreement unless the employer is a party to the agreement.

The Committee Amendment to **HB 12** is as follows:

Amend printed copy of House Bill 12 on page 1, line 1, by: inserting before the words "KRS 342.316" the following:

"Section 1."

and on page 8, line 19, add the following:

"Section 2. A new section of Chapter 342 of the Kentucky Revised Statutes is created to read as follows:

(1) An employe who has suffered an injury or occupational disease covered by this Act shall be entitled to prompt vocational rehabilitation services by the Kentucky Bureau of Rehabilitation Services as may be reasonably necessary to restore him to useful employment. Necessary job placement services shall be provided by the Employment Service of the Department of Economic Security.

(2) When the Kentucky Bureau of Rehabilitation Services has provided all feasible vocational rehabilitation to an employe, or has determined that vocational rehabilitation is not possible or feasible, it shall certify its determination to the board. Upon reviewing this determination, the board shall make a finding as to the permanent disability benefits due the employe. In addition to said permanent disability benefits, an employe who has completed successfully a vocational rehabilitation program and who has returned to regular gainful employment but is receiving a wage less than he was earning at the time of his compensable injury or occupational disease shall receive an additional payment equal to 25 percent of his permanent disability benefits. This additional 25 percent payment is to be made only for those weeks during which the employe is gainfully employed at said lesser wages and in no event for more than 400 weeks from the date of injury, or from the date his disability from an occupational disease began. In no event shall payments under this section exceed total permanent disability benefits.

(3) A vocational rehabilitation program shall not extend for a period of more than 36 weeks except that an additional term of up to 36 weeks may be ordered by the board upon application and sufficient showing of justifiable need therefor.

(4) The board shall order that any employe participating in a vocational rehabilitation program shall receive temporary

total disability payments plus an additional payment equal to 50 percent of his weekly award for transportation and other extra and necessary expenses during the period of said participation, said additional payments to be made from the Special Fund.

(5) The initiation of a vocational rehabilitation program or the acceptance thereof shall be voluntary and not be compulsory on the employe or the employer. However, upon application of either the employe or the employer, or on its own motion the board shall refer the employe promptly to the Kentucky Bureau of Rehabilitation Services of the Department of Education for evaluation of the need for and kind of service or training necessary and appropriate to render him fit for a remunerative occupation. Upon receipt of an evaluation recommending a program of vocational rehabilitation the board shall order that such program be provided in an amount not to exceed the sum of $3,500.00: (a) in the case of traumatic injury, by the employer, and (b) in the case of an occupational disease, by the Special Fund.

(6) The board shall have the authority to enter into cooperative agreements with the Kentucky Bureau of Rehabilitation Services of the Department of Education, the Employment Service of the Department of Economic Security, and with other state, federal, or private agencies to facilitate the carrying out of the purposes of this section."

The Committee on Judiciary reported **HB 35** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 35, AN ACT relating to the right of appeal and bail for adult defendants in juvenile sessions of county court.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 208.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) An appeal may be taken from the juvenile session of the county court from all orders and judgments whereby any infant [or other person] shall be restrained of his liberty, or placed in the custody of any institution, or fined or punished in

any manner, whether in a criminal or quasi-criminal, civil or other proceeding. The appeal shall be taken in the manner provided in the Rules of Criminal Procedure, except that the judgment is not suspended by taking the appeal, and the transcript when filed in the office of the Clerk of the Circuit Court shall be accompanied by a motion for an appeal, supported by an affivadit of merits, signed [by the appellant, or if he be an infant,] by his parent or guardian, or if such infant have no parent or guardian, then by his next friend, which affidavit shall state the nature of the controversy and such facts as are necessary to enable the circuit judge to determine whether an appeal shall be allowed, and the disposition of the child pending the hearing on appeal. The county attorney shall be notified of the motion for an appeal and given an opportunity to file counter affidavits.

(2) An appeal may be taken from the juvenile session or juvenile-adult session of the county court from all orders and judgments whereby an adult shall be restrained of his liberty, or fined or punished in any manner whether in a criminal or quasi-criminal, civil or other proceeding. The appeal shall be taken in the manner provided in the Rules of Criminal Procedure. The appellant may apply for and be admitted to bail in the manner provided in the Rules of Criminal Procedure.

The Committee on Judiciary reported **HB 45** with the expression of opinion that the same should not pass.

The Committee on Labor and Industry reported **HB 47, HB 80** and **SB 38** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 47, AN ACT amending Section 244.370 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 244.370 is amended to read:

No whiskey produced in Kentucky, except whiskey the barrel containing which is branded "Corn Whiskey" under the Internal Revenue laws, shall be bottled in Kentucky or removed from this state unless such whiskey has been aged in [charred,

new] oak barrels for a period of not less than one full year; provided, however, that whiskey aged less than one year may be removed from the state and bottled, or bottled in Kentucky, if the word "Kentucky" or any word or phrase implying Kentucky origin does not appear on the front label or elsewhere on the retail container or package except in the name and address of the distiller as required by Federal regulation. For violations of this section, the Department shall revoke the permit of the licensee from whose warehouse or premises such whiskey shall have been removed or in which such whiskey shall have been bottled.

HB 80, AN ACT relating to medical treatment under workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 342.020 is amended to read:

(1) In addition to all other compensation provided in this chapter, the employer shall furnish for the cure and relief from the effects of an injury or occupational disease, such medical, surgical and hospital treatment, including nursing, medical and surgical supplies and appliances, as may reasonably be required at the time of the injury and thereafter during disability, or as may be required for the cure and treatment of an occupational disease[, but not exceeding a total expense to the employer of thirty-five hundred dollars]. If the employer fails to furnish such treatment reasonably, he shall be liable for the reasonable expense, within the limits of this section, incurred by or on behalf of the employe in providing such treatments. In an emergency, the employe may call in any available physician or surgeon to administer any first aid reasonably necessary at the expense of the employer within the limits of this section. [The board, in its discretion, may apportion payments to be made under this section between hospitals and physicians in cases where their aggregate fees and charges would exceed the maximum for which the employer is liable.]

[(2) However, further medical, surgical and hospital treatment may be ordered by the board upon application and sufficient showing of justifiable need therefor.]

(2) [(3)] Where a compensable injury or occupational disease results in the amputation of an arm, hand, leg or foot, or the loss of hearing, or the enucleation of an eye or the loss of teeth, the employer shall initially furnish in addition to other medical, surgical and hospital treatment enumerated in subsection[s] (1) [and (2)] of this section, a modern artificial member and where required proper braces.

SB 38, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to all other compensation provided in this chapter, the employer shall *pay* [furnish] for the cure and relief from the effects of an injury or occupational disease, such medical, surgical and hospital treatment, including nursing, medical and surgical supplies and appliances, as may reasonably be required at the time of the injury and thereafter during disability, or as may be required for the cure and treatment of an occupational disease, but not exceeding a total expense to the employer of thirty-five hundred dollars. *The employe may select the physician to treat his injury, and the hospital in which he shall be treated.* [If the employer fails to furnish such treatment reasonably, he shall be liable for the reasonable expense, within the limits of this section, incurred by or on behalf of the employe in providing such treatments. In an emergency, the employe may call in any available physician or surgeon to administer any first aid reasonably necessary, at the expense of the employer within the limits of this section.] The board, in its discretion, may apportion payments to be made under this section between hospitals and physicians in cases where their aggregate fees and charges would exceed the maximum for which the employer is liable.

(2) However, further medical, surgical and hospital treatment may be ordered by the Board, *to be paid for by the employer,* upon application and sufficient showing of justifiable need therefor.

(3) When a compensable injury or occupational disease results in the amputation of an arm, leg or foot, or the loss of

hearing, or the enucleation of an eye or loss of teeth, the employer shall initially *pay for* [furnish] in addition to the other medical, surgical and hospital treatment enumerated in subsection (1) and (2) of this section, a modern artificial member and where required, proper braces.

(4) Upon motion of the employer, with sufficient notice to the employe for a response to be filed, if it is shown to the satisfaction of the board by affidavits or testimony that because of the physician selected by the employe to treat his injury or disease, or because of the hospital selected by the employe in which he is being treated, that the employe is not receiving proper medical treatment and his recovery is being substantially affected or delayed; or that the funds for his medical expenses are being spent without reasonable benefit to the employe; or that because of the physician selected by the employe or because of the type of medical treatment being received by the employe that the employer will substantially be prejudiced in any compensation proceedings resulting from the employe's injury or disease; then the board may allow the employer to select a physician to treat the employe and the hospital or hospitals in which the employe is treated for his injury or disease. No action shall be brought against any employer subject to this chapter by any person to recover damages for malpractice or improper treatment received by any employe from any physician, hospital or attendant thereof.

Section 2. Section 342.025 of the Kentucky Revised Statutes is amended to read as follows:

(1) In all claims for hernia resulting from injury received in the course of and resulting from the employe's employment it must be definitely proved to the satisfaction of the board that:

(a) There was an injury resulting in hernia;

(b) The hernia appeared suddenly and immediately following the injury; and

(c) The hernia did not exist in any degree, including the primary or incomplete stage, prior to the injury for which compensation is claimed.

(2) In all such cases where liability for compensation exists, the employer shall, within the limits of KRS 342.020, *pay for*

[provide] competent surgical treatment by radical operation. In case the injured employe refuses to submit to the operation, the employer may require a medical examination as provided in KRS 342.205.

(3) If it is shown by such examination that the employe has any chronic disease or is otherwise in such physical condition so as to render it more than ordinarily unsafe to submit to such operation, he shall, if unwilling to submit to the operation, be entitled to compensation for disability under the general provisions of this chapter. If the examination does not disclose the existence of disease or other physical condition rendering the operation more than ordinarily unsafe, and the employe, with the knowledge of the result of such examination, thereafter refuses to submit to such operation, he shall be entitled to compensation for disability under the general provisions of this chapter not exceeding one year. If the employe submits to the operation he shall, in addition to the surgical benefits herein provided for, be entitled to compensation for his actual disability following such operation. If the hernia results in death within one year after it is sustained, or the operation results in death, such death shall be deemed a result of the injury causing such hernia and compensated accordingly under the provisions of this chapter. This subsection shall not apply where the employe has refused to submit to an operation which has been found by the examination herein provided for not to be more than ordinarily unsafe.

Section 3. Section 342.105 of the Kentucky Revised Statutes is amended to read as follows:

Except as stated in subsection (22), for [For] injuries or disabilities from an occupational disease enumerated in the following schedule the employe shall receive, in addition to temporary total disability compensation for the period of actual total disability, not exceeding twenty weeks a weekly compensation equal to sixty-six and two-thirds percent of his average weekly earnings subject to the limitation in subsection (5) of KRS 342.070 for the periods stated herein:

(1) For the loss of a thumb, sixty weeks.

(2) For the loss of a first finger, commonly called the index finger, forty-five weeks.

(3) For the loss of a second finger, thirty weeks.

(4) For the loss of a third finger, twenty weeks.

(5) For the loss of a fourth finger, commonly known as the little finger, fifteen weeks.

(6) The loss of the second, or distal phalange, of the thumb shall be considered to be equal to the loss of one-half of the thumb, the loss of more than one-half of the thumb shall be considered equal to the loss of the whole thumb.

(7) The loss of the third, or distal phalange of any finger shall be considered to be equal to the loss of one-third of the finger.

(8) The loss of the middle, or second phalange, of any finger shall be considered equal to the loss of two-thirds of the finger.

(9) The loss of more than the middle and distal phalange of any finger shall be considered equal to the loss of the whole finger, but in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand.

(10) For the loss of a metacarpal bone (bone of the palm) for the corresponding thumb, finger or finger above, add ten weeks to the number of weeks as above.

(11) For ankylosis (total stiffness of) or contractures (due to scars or injuries) which makes the fingers useless, the same number of weeks apply to such finger or fingers (including thumb) as given above.

(12) For the loss of a hand, one hundred fifty weeks.

(13) For the loss of an arm, two hundred weeks.

(14) For the loss of one of the toes, other than the great toe, ten weeks.

(15) For the loss of the great toe, thirty weeks.

(16) The loss of more than two-thirds of any toe shall be considered to be equal to the loss of the whole toe.

(17) The loss of less than two-thirds of any toe shall be considered to be equal to the loss of one-half toe.

(18) For the loss of a foot, one hundred twenty-five weeks.

(19) For the loss of a leg, two hundred weeks.

(20) For the total and permanent loss of the sight of an eye, one hundred weeks, plus an additional twenty weeks in cases where the eyeball is enucleated.

(21) For the total and permanent loss of hearing in one ear, seventy-five weeks.

(22) If the effects of any of the injuries, or disabilities, from occupational diseases, or losses, mentioned in this section adversely affect a workman's ability to labor, or limits his occupational opportunities to obtain the kind of work he is customarily able to do; his compensation benefits shall not be limited to the amounts provided by this section, and he shall be awarded compensation benefits under some other applicable or appropriate section of this chapter which would provide more compensation benefits for his disability.

Section 4. Section 342.121 of the Kentucky Revised Statutes is amended to read as follows:

(1) If on a claim for compensation for disability resulting from a subsequent injury by accident or occupational disease any medical question shall be in controversy, or a determination thereof necessary to the proper apportionment of liability therefor, the board shall refer the case to a physician appointed by it for the purpose of investigating and reporting to the board on the medical question involved. The physician shall make his report to the Workmen's Compensation Board in writing with respect to all medical questions at issue or necessary to the apportionment of disability between the subsequent injury and in the prior existing disability at the time of employment. The report shall show the date of prior disablement or latent, nondisabling disease, which, if in dispute, shall be deemed a medical question.

(2) The physician appointed as provided in subsection (1) of this section shall be allowed necessary traveling expenses and reasonable fees, to be fixed by the board to each physician for making such examination and report, plus a reasonable allowance

for expenses incurred in making such examination. The board may also allow traveling expenses to the employe. Such fees and expenses so approved by the board shall be paid out of the Special Fund.

(3) The physician shall, as soon as practicable after he has completed his consideration of the case, but not later than fifteen days after the examination of the employe, report in writing his findings on every medical question in controversy. The physician shall also include in his report a statement indicating the physician or physicians, if any, who appeared before him, and what, if any medical reports and X-rays were considered by him.

(4) The board may consider the report of the physician along with the other evidence in the case in arriving at its decision or award, and any party in interest may take the deposition of the physician to be used as evidence in the case.

[(4) The decision or award in the case shall conform to the findings and conclusions in such report insofar as restricted to medical questions; provided, however, that any such findings and conclusions may be set aside, reversed or modified, by the board's award or decision, in case an application for review is made to the board within ten days after the report is filed with the board and the interested parties notified, subject, however, to the following special provisions; no such findings of the physician shall be subject to review unless specific objections thereto shall be filed with the board by a party in interest within the time limited in which to apply for review of such report.]

(5) The provisions of this section shall apply only to persons mentioned in KRS 342.120.

Section 6. Section 342.030 of the Kentucky Revised Statutes is hereby repealed.

The Committee on Rules reported **HB 53** with Committee Amendment attached thereto has been posted for passage in Orders of the Day, January 26, 1970.

The Committee on Rules reported **HR 21** has been posted for passage in Orders of the Day, January 23, 1970.

Calendar

HB 19, HB 25 with Committee Amendment attached thereto, **HB 26, HB 52** with Committee Amendment attached thereto, **HB 59** and **HB 60** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

Representative McBrayer moved that consideration of **HB 5**, with Committee Substitute attached thereto, be deferred and that it retain its position in Orders of the Day. Agreed.

HB 10 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative DeMarcus moved the adoption of the following Amendment to **HB 10:**

Amend printed copy of House Bill 10 on page 1, line 3, by: inserting after the word "fourth" the words *"or fifth"*

and on page 1, line 9, by inserting after the word "fourth" the words *"or fifth"*

and on page 1, line 12, by inserting after the word "fourth" the words *"or fifth"*

and on page 2, line 2, by inserting after the word "fourth" the words *"or fifth"*

Agreed.

On the roll call the vote was yeas 89—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckels, Lewis, Lindsay, Louden, Lovins, McBrayer,

McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Salyers, Schmidt, Sharpe, Siemens, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 10 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 10** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 67** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 68 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett. Baker, Bartley, Blanford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, James A. Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Salyers, Schmidt, Sharpe, Siemens, Stuart, Swinford, Tobin, Van Horn, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 68 was passed and the title agreed to.

Representative Swinford moved that the vote by which **HB 68** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 5 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 88—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Salyers, Sharpe, Siemens, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

SB 5 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **SB 5** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HJR 4 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 90—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Schmidt, Sharpe, Siemens, Stuart,

Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HJR 4 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HJR 4** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 10 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Curlin, James A. Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Sharpe, Siemens, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HCR 10 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HCR 10** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HCR 21 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

HCR 21, A CONCURRENT RESOLUTION requesting the United States Secretary of Agriculture not to cut burley tobacco allotments for 1970 without first giving growers an opportunity to be heard on proposals to strengthen the burley tobacco program.

WHEREAS, 150,000 Kentucky farm families grow tobacco and depend in large measure upon it for their livelihood; and

WHEREAS, more than half the value of all farm products grown in Kentucky is derived from tobacco; and

WHEREAS, the cash value of the 1969 tobacco crop grown in Kentucky seems likely to exceed $300,000,000; and

WHEREAS, no other crop capable of being grown in Kentucky could bring the farmer an income equal to that of tobacco on an acre-for-acre basis; and

WHEREAS, 58 per cent of all Kentucky farms are less than 100 acres in size, and 86 per cent are less than 220 acres; and

WHEREAS, 67 per cent of all burley tobacco allotments in Kentucky are one acre or less; 93 per cent are three acres or less; and 97 per cent are five acres or less; and

WHEREAS, burley tobacco prices have declined this year and a large amount of leaf has been taken under government loan;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Kentucky General Assembly strongly urges the Secretary of Agriculture not to reduce burley tobacco acreage allotments for 1970, if this is possible under the existing statutory formula.

Section 2. That if a reduction in allotments is required by law, time be provided for burley growers, their representatives in the Congress, and the U.S. Department of Agriculture to develop suggestions and consider steps to strengthen the burley tobacco program.

Section 3. That if the present trends in the decline of the use of burley tobacco, and increasing yields per acre, continue, consideration be given to adjustments in the entire tobacco price-support and production-control program.

Section 4. That the Clerk of the House of Representatives be directed to send a copy of this resolution to the Honorable Clifford M. Hardin, U.S. Secretary of Agriculture, and to each member of the Kentucky delegation in the Congress.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Collins, Curlin, James A. Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Schmidt, Sharpe, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HCR 21 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HCR 21** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative King moved that the rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 227, by Representatives Ray, King, Osborne, Donnermeyer, Murphy, Ruh, Siemens, Kessinger, Bleemel, Mershon, Isler, Wheeler and Yocom; AN ACT relating to railroad crossings.

HR 24, by Representatives Kenton, Wyatt, Wenz, G. White, Reed, Haney, Lewis, Chapman and Keene: A RESOLUTION requesting a research study by the Legislative Research Commission on the development of farm-related business and industry.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Judiciary: **HB 82, HB 86, HB 87, HB 99, HB 112, HB 129,**

HB 139, HB 143, HB 90, HB 96, HB 120, HB 152. (Room 402, January 29, 1970, 9:30 a.m.)

Banking and Insurance: **HB 85.** (Room 402, January 27, 1970, 9:30 a.m.)

The Subcommittee meetings for the Judiciary Committee scheduled for Thursday, January 29, 1970 have been cancelled and the full committee meeting of the Committee on Judiciary scheduled for Friday, January 30, 1970 has been changed to Thursday, January 29, 1970 at 9:30 a.m. in Room 402.

The Clerk announced the following Bills and Resolutions were posted for consideration:

Cities: **HB 62, HB 83, HB 98, HB 106, HB 130.** (Room 401, January 29, 1970, 11:00 a.m.)

Representative McBrayer moved that the House adjourn until 3:00 p.m., Monday, January 26, 1970.

On the roll call the vote was yeas 67—Alexander, Allen, Arnett, Baker, Bleemel, Blythe, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Deskins, Donnermeyer, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Huff, Hughes, Keene, Keith, Kenton, Kidd, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Schmidt, Sharpe, Swinford, Tobin, Van Horn, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 4—Holloway, Ray, Siemens, Stuart.

The motion to adjourn was adopted.

MONDAY, JANUARY 26, 1970

SEVENTEENTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Dr. John C. Chenault of the First Christian Church, Frankfort.

The roll was called. All present except Representatives Bartley, McCann, McGill and Paxton.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Rpresentative McNamara moved that the reading of the Journal of January 23, 1970 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 228, by Representative Lindsay: AN ACT relating to court costs.

HB 229, by Representative Lindsay: AN ACT relating to soil and water conservation districts.

HB 230, by Representatives DeMarcus and Siemens: AN ACT relating to the summoning of jurors from adjoining counties.

HB 231, by Representative Ruh: AN ACT relating to the state income tax.

HB 232, by Representative Isler: AN ACT relating to inheritance tax.

HB 233, by Representatives DeMarcus and Schmidt: AN ACT relating to the purchasing of the combined requirements of all agencies of the State, and the disposition of all surplus property of the State.

HB 234, by Reprcsentatives DeMarcus and Schmidt: AN ACT relating to motor vehicles and the registration, regulation and taxation thereof.

HB 235, by Representatives DeMarcus and Schmidt: AN ACT relating to Watershed Conservancy Districts and their membership and elections.

HB 236, by Representatives DeMarcus and Schmidt: AN ACT relating to forestry and forest fire prevention.

HB 237, by Representatives DeMarcus and Schmidt: AN ACT relating to the reimbursement of state officers and employes for expenses incurred in the discharge of their official duties.

HB 238, by Representatives DeMarcus and Schmidt: AN ACT imposing penalties for the violation of statutory provisions relating to Libraries and Archives.

HB 239, by Representatives DeMarcus and Schmidt: AN ACT recognizing the Division of Fiscal Management in the Department of Finance.

HB 240, by Representatives DeMarcus and Schmidt: AN ACT recognizing a Division of Electronic Data Processing as established in the Department of Finance.

HB 241, by Representatives DeMarcus and Schmidt: AN ACT relating to Soil and Water Conservation Districts and voter eligibility.

HB 242, by Representatives DeMarcus and Schmidt: AN ACT relating to land purchased or leased with state funds.

HB 243, by Representatives DeMarcus and Schmidt: AN ACT relating to the payment of the Commonwealth's obligations after the close of the fiscal year.

HB 244, by Representatives DeMarcus and Schmidt: AN ACT relating to the payment of prior year claims against the Commonwealth and its agencies.

HB 245, by Representative Freeman: AN ACT relating to property taxes.

HB 246, by Representative Freeman: AN ACT relating to license taxes in cities of the fourth class.

HB 247, by Representatives Allen, Salyers, Arnett, Deskins, May and Van Horn: AN ACT relating to public assistance.

HB 248, by Representatives Lewis, Durham and Lovins: AN ACT relating to dentists and dental specialists.

HB 249, by Representatives Durham, Huff, Rattliff and L. T. Hardin: AN ACT relating to crimes and punishments.

HB 250, by Representative McBrayer: AN ACT relating to the Kentucky Health and Geriatric Authority.

HB 251, by Representative McBrayer: AN ACT relating to the Kentucky Health and Geriatric Authority.

HR 25, by Representatives Lindsay, Rickert and Curlin: A RESOLUTION authorizing and directing the Legislative Research Commission to conduct a study on the desirability of combining judicial districts.

HCR 26, by Representative Blythe: A CONCURRENT RESOLUTION requesting and petitioning the General Assembly to refrain from taking specific action to exempt Kentucky from the Uniform Time Act of 1966 until the Congress acts on H.R. 15276 which was introduced by Representative Tim Lee Carter of Kentucky on December 16, 1969.

HR 27, by Representatives Lindsay, Rickert and Kenton: A RESOLUTION authorizing and directing the Legislative Research Commission to conduct a study on the desirability of combining county and city governments in the counties which are presently considered most urban in character and those considered most rural in character.

HJR 28, by Representatives Wyatt, Rickert, Lindsay, Peak, Lovins, Siemens, Keene, Wible, McCann, Lewis, Clarke, Conn, Wenz, Freeman, Kenton, McBride, Graves, Kleier, Head, Donnermeyer, Nett, Priddy, Paxton, Curlin, Hughes, Ruh, Prather, Blume, J. O. Hardin, Chapman, Arnett, Yocom, Tobin and Ray: A JOINT RESOLUTION directing the Legislative Research Commission to study the revenue system of state and local governments in Kentucky.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 212, HB 214.**

Appropriations and Revenue: **HB 219, HB 224.**

Banking and Insurance: **HB 218, HB 226.**

Business Organizations and Professions: **HB 215.**

Counties and Special Districts: **HB 220.**

Education: **SB 21.**

Elections and Constitutional Amendments: **HB 213, HB 216.**

Health and Welfare: **HB 223.**

Judiciary: **HB 211, HB 221, HB 222, SB 32.**

Labor and Industry: **HB 225.**

Public Utilities and Transportation: **HB 217, HB 227.**

State Government: **SB 10, SB 59.**

Rules: **HR 24.**

Report of Committees

The Committee on Rules reported **HB 19** has been posted for passage in Orders of the Day, January 27, 1970.

The Committee on Rules reported **HB 21** has been returned to the Committee on Cities for purpose of clarification of bill by amendment.

The Committee on Rules reported **HB 25** with Committee amendment attached thereto and **HB 26** have been posted for passage in Orders of the Day, January 27, 1970.

The Committee on Rules reported **HB 46** has been recommitted to the Committee on Labor and Industry.

The Committee on Rules reported **HB 59** and **HB 60** have been posted for passage in Orders of the Day, January 27, 1970.

The Committee on Rules reported **HR 24** has been posted for passage in Orders of the Day, January 26, 1970.

Calendar

HB 12 with Committee Amendment attached thereto, **HB 35, HB 47, HB 80** and **SB 38** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

Representative Allen moved that **HB 52,** with Committee Amendment attached thereto, be returned to the Committee on Education for further amendment. Agreed.

Orders of the Day

HB 5, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Curlin moved the adoption of the Committee Substitute for **HB 5.** Agreed.

Representative Clapp moved the adoption of the following amendment to **HB 5:**

Amend printed copy of Committee Substitute for House Bill 5 on page 3, lines 14-15 by:

inserting between lines 14 and 15 the following:

G. *Committee on Un-American Activities.*
1970-1971 ----------$ 100,000
1971-1972 ----------$ 100,000

To carry out the functions of the Joint Legislative Committee on Un-American Activities pursuant to House Resolution No. 84, 1968 Regular Session.

and on page 3, by amending lines 17 and 18 to read:
1970-1971 ----------$ 995,807
1971-1972 ----------$1,096,712

and on page 4, by amending lines 8 and 9 to read:

1970-1971 ----------$1,632,607

1971-1972 ----------$2,425,712

Representative Baker moved that a roll call be taken on the adoption of the amendment to **HB 5.** Agreed.

On the roll call the vote was yeas 39—Alexander, Baker, Bleemel, Blythe, Archie Brown, Hershel Brown, Chapman, Clapp, Collins, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Haney, L. T. Hardin, Holloway, Huff, Hughes, Keith, Kessinger, King, Knuckles, Louden, McKinney, Massey, May, Parish, Pollitte, Rattliff, Russell Reynolds, Sharpe, Simmons, Stuart, John E. White, Wright. Nays 47—Allen, Arnett, Blandford, Blume, E. G. Brown, Carroll, Carter, Clarke, Conn, Curlin, Graves, J. Hardin, Head, Hinkle, Isler, Keene, Kenton, Kidd, Kleier, Lewis, Lovins, McBrayer, McBride, McNamara, Mershon, Miller, Mitchell, Nett, Osborne, Peak, Prather, Priddy, Ray, Reed, T. Reynolds, W. Reynolds, Rickert, Roberts, Ruh, Salyers, Siemens, Tobin, Van Horn, G. White, Wible, Wyatt, Yocom.

The motion to adopt the Amendment to **HB 5** was rejected.

On the roll call the vote was yeas 91—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 5, by way of Committee Substitute, was passed and the title agreed to.

Representative Curlin moved that the vote by which **HB 5,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Blume rose to a point of order that the Gentleman from Kenton 64 was recorded on the roll call on the adoption of the amendment to **HB 5** as voting "yea" thereon, but apparently was not present in the chamber at the time of the vote. The Chair ruled the point well taken and ordered said roll call declared void. The corrected roll call reads as follows:

On the roll call the vote was yeas 38–Alexander, Baker, Bleemel, Blythe, Archie Brown, Hershel Brown, Chapman, Clapp, Collins, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Haney, L. T. Hardin, Holloway, Huff, Hughes, Keith, Kessinger, Knuckles, Louden, McKinney, Massey, May, Parish, Pollitte, Rattliff, Russell Reynolds, Sharpe, Simmons, Stuart, John E. White, Wright. Nays 47–Allen, Arnett, Blandford, Blume, E. G. Brown, Carroll, Carter, Clarke, Conn, Curlin, Graves, J. Hardin, Head, Hinkle, Isler, Keene, Kenton, Kidd, Kleier, Lewis, Lovins, McBrayer, McBride, McNamara, Mershon, Miller, Mitchell, Nett, Osborne, Peak, Prather, Priddy, Ray, Reed, T. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Siemens, Tobin, Van Horn, G. White, Wible, Wyatt, Yocom.

The motion to adopt the Amendment to **HB 5** was rejected.

Representative McBrayer moved that consideration of **HB 67** and **HB 53** with Committee Amendment attached thereto be deferred and that they retain their position in Orders of the Day. Agreed.

HR 24 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative Kenton moved the adoption of **HR 24.** Agreed.

HR 24, A RESOLUTION requesting a research study by the Legislative Research Commission on the development of farm-related business and industry.

WHEREAS, since 1792, agrarian pursuits have been the

basis for a sound, healthy economy in the Commonwealth of Kentucky; and

WHEREAS, the preservation of agriculture as a source of livelihood is of primary importance to the citizens of the Commonwealth; and

WHEREAS, the development of local manufacturing and processing plants to make use of locally grown agricultural products would provide a profitable partnership between farm and industry; and

WHEREAS, such new markets would not only provide a tremendous stimulus to farmers to improve their farm operations but also encourage them to try new crops and to vary the uses of their land; and

WHEREAS, such coordination between agriculture and business would create industrial employment within the state, particularly in locales presently unaffected by the industrial growth which has taken place in Kentucky during the past ten years;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

(1) The Legislative Research Commission be and is hereby authorized and directed to conduct a study for the purpose of exploring all possibilities of developing local industries which would make use of locally produced agricultural products.

(2) The Legislative Research Commission shall be empowered to appoint an advisory committee to assist in collating information and in preparing a substantive legislative program, utilizing all pertinent research material available from any state department or agency or from similar departments and agencies of other states.

(3) The Legislative Research Commission shall present its study and recommendations to the 1972 session of the General Assembly for appropriate action.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

State Government: **HB 95, HB 97, HB 111, HB 144, HB 175, HB 176, HB 192.** (Room 401, Tuesday, January 27, 1970)

Elections and Constitutional Amendments: **HB 93, HB 108, HB 113, HB 138, HB 147, HB 160, HB 200.** (Room 402, January 27, 1970, 10:45 a.m.)

Highways and Traffic Safety: **HB 105, SB 42, SB 44.** (Room 401, January 28, 1970, on adjournment)

Appropriations and Revenue: **HB 1.** (Room 402, January 27, 1970, on adjournment)

Banking and Insurance: **HB 103, HB 141, HB 140, HB 174.** (Room 402, January 27, 1970, 9:30 a.m.)

Labor and Industry: **HB 6, HB 91, HB 177, HB 225.** (Room 401, January 27, 1970, 9:30 a.m.)

Representative King requested that he be recorded as voting "yea" on the passage of **HB 5.** Agreed.

The Committee on State Government has scheduled a meeting on adjournment Wednesday, January 28, 1970, and on adjournment on Thursday, January 29, 1970 in Room 402. These meetings are in addition to the meeting regularly scheduled for Tuesday, January 27, 1970, Room 401, at 10:45 a.m.

The Committee on Highways and Traffic Safety will meet on adjournment, January 28, 1970.

Representative Blythe moved that the rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 252, by Representatives Bleemel, Kessinger, Clapp, Ruh, Chapman, Alexander, Louden, Wright, Bruce, Miller, Kidd, Parish, Tobin, Ray, Blume and W. J. Reynolds: AN ACT to establish the Kentucky state kidney disease institute.

HB 253, by Representatives Bleemel, Kessinger, Clapp, Ruh, Alexander, Louden, Wright, Parish, Bruce, Miller, Chapman, Tobin, Ray, W. J. Reynolds and Blume: AN ACT appropriating funds for the treatment of patients with artificial kidney needs.

HB 254, by Representative Blume: AN ACT relating to obscene matter.

HB 255, by Represnetatives Baker, Stuart, McCann, Peak and J. Davis: AN ACT relating to Special Education Programs.

HB 256, by Representatives Stuart, Baker, McCann, Peak and J. Davis: AN ACT relating to the coordination of programs for exceptional children, and the provision of special educational programs to benefit the same.

HB 257, by Representatives Blythe, Stuart and Wheeler: AN ACT proposing an amendment to Section 145 of the Constitution of Kentucky relating to the eligibility of voters.

HB 258, by Representative Blythe: AN ACT creating the Governor's Council on Economic Advisors.

HB 259, by Representatives Blythe and Wheeler: AN ACT relating to comparative signature books, requiring voter to sign both name and address.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Tuesday, January 27, 1970.

On the roll call the vote was yeas 71—Allen, Arnett, Baker, Blandford, Blythe, Archie Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Floyd, Freeman, John O. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Lewis, Louden, Lovins, McBrayer, McBride, McKinney, McNamara, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Peak, Pollitte, Prather, Rattliff, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Stuart, Swinford, Tobin, Van Horn, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 2—Ray, Siemens.

The motion to adjourn was adopted.

TUESDAY, JANUARY 27, 1970

EIGHTEENTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Dr. John C. Chenault of the First Christian Church, Frankfort.

The roll was called. All present except Representatives Bleemel, Keene and McGill.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 26, 1970 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 260, by Representatives DeMarcus, Simmons, Collins, J. Davis, West and Carter: AN ACT relating to compensation of county officers and employes.

HB 261, by Representatives Simmons, Keith, Knuckles, Sharpe, West, Durham, Paxton, Wells, Dorris, Hinkle and Carter: AN ACT relating to licenses issued for hunting and fishing.

HB 262, by Representatives DeMarcus and McKinney: AN ACT relating to television and related services in aid of education and other public functions.

HB 263, by Representatives Ruh and Murphy: AN ACT relating to the form of ballots in regular elections.

HB 264, by Representative Blume: AN ACT relating to sheriffs.

HB 265, by Representative Blume: AN ACT relating to sheriffs.

HB 266, by Representative Allen: AN ACT relating to public assistance.

HB 267, by Representative Allen: AN ACT relating to public records.

HB 268, by Representatives Salyers, Deskins, T. P. Reynolds and Allen: AN ACT relating to boards of education.

HB 269, by Representative Isler: AN ACT relating to elections.

HB 270, by Representatives Osborne, Keene and Stuart: AN ACT proposing to amend Section 256 of the Constitution of Kentucky, relating to amending the Constitution of Kentucky.

HB 271, by Representatives Hinkle, A. Brown, Donnermeyer, L. T. Hardin, Sharpe, McNamara, H. Brown, Reed, Bruce and Mershon: AN ACT relating to school terms.

HB 272, by Representatives W. J. Reynolds, Swinford, and Blume: AN ACT relating to workmen's compensation.

HB 273, by Representative Van Horn: AN ACT relating to credit for service in the United States armed forces.

HB 274, by Representative Clapp: AN ACT relating to illegitimate children.

HB 275, by Representatives Yocom, Siemens, Van Horn, Priddy, Miller, Blume and Head: AN ACT relating to employment.

HB 276, by Representative Mitchell: AN ACT relating to investments permitted by fiduciaries.

HB 277, by Representatives Hughes and Wenz: AN ACT relating to a lunch program for needy elderly persons.

HB 278, by Representative Hughes: AN ACT relating to regulation of service stations.

HB 279, by Representatives DeMarcus, Floyd, Sharpe and Huff: AN ACT relating to state savings and loan associations.

HB 280, by Representatives Nett, McCann, Yocom, Hinkle, McNamara, May and Deskins: AN ACT proposing an amendment to Section 145 of the Constitution of the Commonwealth of Kentucky relating to voting.

HB 281, by Representatives DeMarcus, J. Davis, Wenz, W. J. Reynolds, Freeman, Nett, Rattliff, L. T. Hardin, Sharpe, Durham and Pollitte: AN ACT relating to relocation assistance.

HB 282, by Representatives Nett, Kenton, Hinkle, Van Horn, May, and Deskins: AN ACT relating to presidential preference primary elections.

HB 283, by Representatives McCann and Blythe: AN ACT relating to show horses.

HB 284, by Representatives Nett, McNamara and Hinkle: AN ACT relating to voter registration.

HB 285, by Representatives DeMarcus, Sharpe, Floyd and Huff: AN ACT relating to banks and banking.

HB 286, by Representatives McCann, Kenton, Peak and Van Horn: AN ACT relating to paternity.

HB 287, by Representatives McCann, Kenton, Peak and Van Horn: AN ACT relating to issuing checks not backed by sufficient funds.

HR 29, by Representatives Clarke and Mitchell: A RESOLUTION saluting Centre College.

HR 30, by Representatives McCann, Peak, Freeman, Kenton and Van Horn: A RESOLUTION directing a study of the feasibility of establishing a family court system for Kentucky.

HR 31, by Representative Reed: A RESOLUTION requesting the United States Secretary of Agriculture not to cut burley tobacco allotments for 1970 without first giving growers an opportunity to be heard on proposals to strengthen the burley tobacco program.

Report of Committees

The Committee on State Government reported **HB 34, HB 111** and **HB 32** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 34, AN ACT relating to prohibited conflicts of interest of public officers and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 61.094 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 61.092 to 61.096, except as may be otherwise indicated by the context:

(a) "Agency" means any of the departments of the state government, and any division, board, bureau, commission or other instrumentality within such department and any independent state authority, commission, instrumentality or agency, but it does not include an authority, commission, instrumentality or agency created pursuant to compact or agreement between or among the State of Kentucky and another state or states;

(b) "Officer or employe" means a person holding an office, position or employment in an agency, but it does not include persons who serve without salary or other payment for their services *and it does not include employes of school boards or district boards of education;*

(c) "Compensation" means any money, thing of value, or financial benefit conferred in return for services rendered or to be rendered, but it does not include the salary or other payment provided by law or appropriation for services rendered in a public office, position or employment.

Section 2. Whereas, immediate operation of this Act will serve to prevent irreparable injury, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

HB 111, AN ACT relating to the extension of veterans preference under the State Merit System for wives, widows, or mothers of certain living or deceased veterans who are seeking State employment.

WHEREAS, the Kentucky State Department of Personnel, in consideration of the Veterans Preference Act of 1944 as enacted by the Congress, does now grant veterans preference in

State employment to all honorably discharged veterans by awarding to those who qualify as eligibles for a position five points on any passing score if they served during a period of hostilities, with ten points being added to the passing score if they are receiving disability compensation for a war incurred disability; and

WHEREAS, the Federal government extends this preference to the wives, widows, or mothers of disabled or deceased veterans, and

WHEREAS, the wives, widows, and mothers so identified often have the economic responsibility of caring for the family under precarious circumstances; and

WHEREAS, many of the wives, widows, or mothers require employment to provide basic necessities for their families; and

WHEREAS, many of the wives, widows, or mothers have had training which would highly qualify them for State employment, thus providing the State with an economic asset.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 18 of the Kentucky Revised Statutes is created to read as follows:

(1) The wife of a Veteran of the armed forces of the United States who would be eligible for a ten point preference, and whose service-connected disability disqualifies him for positions along the general line of his usual occupation shall be entitled to a ten point preference. In such a case, the wife loses her right to preference if the husband recovers. Also, if the husband's military service was peacetime service, she loses her right to preference if he dies.

(2) Until she remarries, the widow of an honorably separated veteran who served on active duty during any war, or during the period April 28, 1952, through July 1, 1965, or in a campaign or expedition for which a United States campaign badge or service medal was authorized shall be entitled to a ten point preference. This includes the widow of a man meeting any

of these service requirements who died while in the armed forces, unless the circumstances surrounding his death would have been cause for other than honorable separation.

(3) The mother of a veteran who lost his life under honorable conditions while on active duty in a war or in a campaign or expedition for which a campaign badge or service medal has been authorized, or during the period April 28, 1952, through July 1, 1955, or who became permanently and totally disabled because of a service-connected disability, shall be entitled to a ten point preference provided that she is widowed, divorced, or separated from the father of the veteran, or the father is permanently and totally disabled. An otherwise eligible mother who has remarried may be granted preference only if, with reference to the subsequent marriage, her husband is permanently and totally disabled, or she is divorced or legally separated, or she has been widowed.

(4) As used herein, "ten point preference" means the greatest number of points preference in examination for a position in the state service allowable under subsection (4) of KRS 18.210 to persons having served in the armed forces of the United States.

HB 32, AN ACT relating to transactions in firearms.

WHEREAS, the Gun Control Act of 1968 prohibits Kentucky residents from purchasing firearms in other states unless specifically permitted to do so by Kentucky law, it is the intention of the General Assembly to grant such permission;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be Chapter 237 of the Kentucky Revised Statutes.

Section 2. A new section of Chapter 237 of the Kentucky Revised Statutes is created to read as follows:

(1) Residents of the Commonwealth of Kentucky shall have the right to purchase rifles, shotguns, and any other firearms which they are permitted to purchase under federal law

from properly licensed dealers, manufacturers, importers, or collectors located in states contiguous to the Commonwealth of Kentucky.

(2) Residents of states contiguous to the Commonwealth of Kentucky may purchase rifles, shotguns, and any other firearms which they are permitted to purchase under federal law from properly licensed dealers, manufacturers, importers, or collectors located in the Commonwealth of Kentucky.

(3) All such sales shall conform to the requirements of federal law, the Kentucky Revised Statutes, applicable local ordinances, and the law of the purchaser's state.

The Committee on Banking and Insurance reported **HB 85,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 85, AN ACT relating to the fire and police protection of all classes of cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 95 of the Kentucky Revised Statutes is created to read as follows:

The right of a member of the Fire Department or the Police Department to operate a private motor vehicle shall not be affected if he should be involved in an accident while driving an emergency vehicle. No insurance company shall cancel the private policy of a fireman or policeman or increase his premiums due to his being involved in a mishap while on emergency call.

The Committee Amendment to **HB 85** is as follows:

Amend printed copy of House Bill 85 on page 1, line 3, by: inserting after the word "Department" ", the Auxiliary Fire Department"

and on line 4 insert after the word "Department" ", Auxiliary Police Department"

and on line 5 after the word "driving" and before the word "and" by inserting "a motor vehicle in performance of his duties during an emergency."

and on line 6 by deleting "an emergency vehicle."

and on line 7 after the word "fireman" delete the word "or" and insert ", auxiliary fireman." Also on line 7 after the word "policeman" insert ", or auxiliary policeman"

and on line 8 after the word "while" and before the word "on" by deleting the words "on emergency call." and inserting in lieu thereof the words "operating a motor vehicle in performance of his duties during an emergency."

The Committee on Elections and Constitutional Amendments reported **HB 55** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 55, AN ACT relating to voter registration in counties containing cities of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 117 of the Kentucky Revised Statutes is created to read as follows:

(1) In counties containing cities of the first class in addition to methods of voter registration set forth in KRS Ch. 117, and other provisions of law to the contrary notwithstanding, any person qualified to register to vote may register at his precinct on a primary election day.

(2) For the purposes of this section the polling place in each precinct of a county containing a city of the first class, including those precincts located within the city limits of any city in the county, shall be considered a branch voter registration office. The election officers in that precinct shall be qualified to fill out applications for voter registration.

(3) Any person registered to vote under this section shall not be eligible to vote the day he registers, but shall be eligible to vote at any election taking place thirty days after the primary.

The Committee on Elections and Constitutional Amendments reported **HB 200** with the expression of opinion that the same should not pass.

The Committee on Rules reported **HB 12** with Committee Amendment attached thereto, **HB 35, HB 47, HB 80** and **SB 38** have been posted for passage in Orders of the Day, January 28, 1970.

The Committee on Rules reported **HB 88** has been recommitted to the Committee on Banking and Insurance upon request of the sponsor for amendment in committee.

Senate Message

The following request was received by the House from the Senate in regard to **SB 32:**

Senate Bill 32 was passed by the Senate on January 23, and was delivered to the House on January 23.

The Senate respectfully requests this honorable body to return Senate Bill 32 for further considerations.

Representative McBrayer moved that **SB 32** be returned to the Senate. Agreed.

Announcing passage of **SB 7** and **SB 36.**

Report on Enrolled Bills

The Committee on Enrollment reported **SB 5** had been examined and found correctly enrolled. **SB 5** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 229, HB 236.**

Appropriations and Revenue: **HB 231, HB 232, HB 252, HB 253, HR 28.**

Banking and Insurance: **HB 228.**

Business Organizations and Professions: **HB 248, HB 254.**

Cities: **HB 246.**

Counties and Special Districts: **HB 235, HB 241, HB 245.**

Education: **HB 255, HB 256.**

Elections and Constitutional Amendments: **HB 257, HB 259.**

Health and Welfare: **HB 247, HB 250, HB 251.**

Judiciary: **HB 230, HB 249.**

Public Utilities and Transportation: **HB 234.**

State Government: **HB 233, HB 237, HB 238, HB 239, HB 240, HB 242, HB 243, HB 244, HB 258, HR 26.**

Rules: **HR 25, HR 27.**

Orders of the Day

Representative McBrayer moved that consideration of **HB 67** be deferred and that it retain its position in Orders of the Day. Agreed.

Representative Keene moved that **HB 53,** with Committee Amendment attached thereto, be returned to the Committee on Agriculture. Agreed.

HB 19 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 91 – Alexander, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins,

McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Stuart, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 19 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 19** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 25** and **HB 26** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 59 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 83—Alexander, Arnett, Baker, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, Kleier, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 5—Blythe, King, Knuckles, Lindsay, G. White.

HB 59 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 59** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 60 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lindsay moved that **HB 60** be returned to the Committee on Appropriations and Revenue.

Representative Hinkle moved that **HB 60** be laid on the Clerk's Desk. Agreed.

HR 31 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

HR 31, A RESOLUTION requesting the United States Secretary of Agriculture not to cut burley tobacco allotments for 1970 without first giving growers an opportunity to be heard on proposals to strengthen the burley tobacco program.

WHEREAS, 150,000 Kentucky farm families grow tobacco and depend in large measure upon it for their livelihood; and

WHEREAS, more than half the value of all farm products grown in Kentucky is derived from tobacco; and

WHEREAS, the cash value of the 1969 tobacco crop grown in Kentucky seems likely to exceed $300,000,000; and

WHEREAS, no other crop capable of being grown in Kentucky could bring the farmer an income equal to that of tobacco on an acre-for-acre basis; and

WHEREAS, 58 per cent of all Kentucky farms are less than 100 acres in size, and 86 per cent are less than 220 acres; and

WHEREAS, 67 per cent of all burley tobacco allotments in Kentucky are one acre or less; 93 per cent are three acres or less; and 97 per cent are five acres or less; and

WHEREAS, burley tobacco prices have declined this year and a large amount of leaf has been taken under government loan;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky General Assembly strongly urges the Secretary of Agriculture not to reduce burley tobacco acreage allotments for 1970, if this is possible under the existing statutory formula.

Section 2. That if a reduction in allotments is required by law, time be provided for burley growers, their representatives in the Congress, and the U.S. Department of Agriculture to develop suggestions and consider steps to strengthen the burley tobacco program.

Section 3. That if the present trends in the decline of the use of burley tobacco, and increasing yields per acre, continue, consideration be given to adjustments in the entire tobacco price-support and production-control program.

Section 4. That the Clerk of the House of Representatives be directed to send a copy of this resolution to the Honorable Clifford M. Hardin, U.S. Secretary of Agriculture, and to each member of the Kentucky delegation in the Congress.

On the roll call the vote was yeas 94—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HR 31 was adopted and the title agreed to.

Representative McBrayer moved that the rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 288, by Representatives Murphy, Donnermeyer, King, J. E. White and Wheeler: AN ACT relating to policemen and fire fighters in cities of the second and third classes.

HB 289, by Representatives Rickert and J. O. Hardin: AN ACT relating to jurisdiction of courts.

HB 290, by Representatives King, Ruh, Kenton and Kleier: AN ACT relating to election officers.

HB 291, by Representatives Wheeler, Van Horn and McNamara: AN ACT proposing an amendment to Section 147 of the Constitution of Kentucky relating to voting.

HB 292, by Representatives Siemens, Yocom and Priddy: AN ACT relating to leaves of absences for teachers and superintendents.

HB 293, by Representatives Wheeler, Van Horn, Siemens, Yocom, King, Murphy and Ray: AN ACT to ratify the Interstate Compact on Air Pollution.

HB 294, by Representatives King, Kenton, Wyatt, Haney, Murphy, McKinney and Knuckles: AN ACT relating to limitation of actions.

HB 295, by Representatives King, Kenton, Mershon, Murphy, Ruh, Isler, Haney and Kleier: AN ACT relating to employes of cities and counties.

Announcements

Representative Allen requested that he be recorded as voting "yea" on the passage of **HB 19** and **HB 59.** Agreed.

Representative Curlin announced the cancellation of the meeting of the Committee on Appropriations and Revenue on adjournment today.

Representative Murphy announced a meeting of the Committee on Business Organizations and Professions, Wednesday, January 28, 1970, 11:00 a.m.

The Clerk announced the following Bills and Resolutions were posted for consideration:

Agriculture and Natural Resources: **HB 53, HB 102, HB 212, HR 16.** (Room 401, January 28, 1970, 11:00 a.m.)

State Government: **HB 201, HB 208, SB 10.** (Room 402, January 28, 1970, on adjournment)

HB 175 and **HB 176** were withdrawn from consideration by the Committee on State Government.

Public Utilities and Transportation: **HB 56.** (Room 402, January 28, 1970, 9:30 a.m.)

Counties and Special Districts: **HB 41, HB 109, HB 165.** (Room 402, January 29, 1970, 11:00 a.m.)

Health and Welfare: **SB 18, HB 33, HB 48, HB 64, HB 76.** (Room 401, January 28, 1970, 10:00 a.m.)

Judiciary: **HB 29.** (Room 402, February 5, 1970, 9:30 a.m.)

Representative Hardin announced cancellation of subcommittee meetings of the Committee on Judiciary scheduled for February 5, 1970 in order to have a meeting of the full committee on Judiciary for the purpose of hearing testimony and considering **HB 29.**

Representative Yocom announced caucus of Democrat and Republican delegations of Louisville and Jefferson County thirty minutes after adjournment, Room 401, January 27, 1970.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Wednesday, January 28, 1970.

On the roll call the vote was yeas 78—Alexander, Allen, Arnett, Baker, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Louden, Lovins, McBrayer, McBride, McCann, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather,

Priddy, Rattliff, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Schmidt, Sharpe, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 3—Lewis, Ray, Siemens.

The motion to adjourn was adopted.

WEDNESDAY, JANUARY 28, 1970
NINETEENTH LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by Dr. John C. Chenault of the First Christian Church, Frankfort.

The roll was called. All present except Representatives Kenton, Kessinger, McGill and Mitchell.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 27, 1970 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 296, by Representatives Mitchell, McCann, Salyers, Carter, Wyatt, Yocom, Conn, Nett, Ray, Priddy, W. J. Reynolds, Allen, Clapp, Alexander, Pollitte, Siemens and Blandford: AN ACT relating to business and consumer protection.

HB 297, by Representatives Wible and Blandford: AN ACT relating to retail sales on Sunday.

HB 298, by Representative Swinford: AN ACT relating to workmen's compensation.

HB 299, by Representative Swinford: AN ACT granting the power of eminent domain to certain water associations.

HB 300, by Representative Ruh: AN ACT relating to the classification of the City of Fort Wright.

HB 301, by Representatives Blume and Conn: AN ACT relating to revenue and taxation.

HB 302, by Representatives Blume and Conn: AN ACT relating to excise tax on cigarettes.

HB 303, by Representatives Yocom, Conn, Kleier, Nett, Miller, Wyatt, Siemens, Blythe and Blume: AN ACT relating to the improvement of the main mercantile and business areas of cities of the first class.

HB 304, by Representative Yocom: AN ACT relating to alcoholic beverages.

HB 305, by Representatives Allen and Salyers: AN ACT making an appropriation for the Interstate Compact on Education.

HB 306, by Representatives Conn and Blume: AN ACT relating to higher education.

HB 307, by Representatives Ray, Blythe and E. G. Brown: AN ACT regulating the business of making loans or advances in the amount or the value of twelve hundred dollars or less, secured or unsecured.

HB 308, by Representatives Carter, Wible, W. J. Reynolds, Lewis and Haney: AN ACT relating to the practice of contracting.

HB 309, by Representatives Alexander, Chapman, Louden, Hughes, Wells, E. G. Brown, Massey, Mitchell, McNamara, Freeman, Hinkle, J. E. White, Keith, Pollitte, W. J. Reynolds, R. Reynolds, Swinford, Graves, Blythe and Roberts: AN ACT relating to vehicle license plates.

HJR 32, by Representatives Wright, Rattliff, Head, Floyd, Kessinger, Osborne, Nett, Allen and Salyers: A JOINT RESOLUTION relating to providing maximum permanent office space for members of the General Assembly.

HR 33, by Representative Kidd: A RESOLUTION directing a study of the needs of older persons in Kentucky.

Report of Committees

The Committee on Rules reported **HR 12** has been referred to the Committee on State Government.

The Committee on Rules reported **HR 25** and **HR 27** have been posted for passage in Orders of the Day, January 28, 1970.

The Committee on Agriculture and Natural Resources reported **HJR 16, HB 212** with Committee Amendment attached thereto, and **HB 102** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HJR 16, A JOINT RESOLUTION directing the Kentucky Department of Agriculture to explore methods of preserving the tobacco industry.

WHEREAS, the crop providing the primary source of income from agriculture in Kentucky is tobacco; and

WHEREAS, it is necessary to the economic welfare of the Commonwealth to maintain this source of income at its peak; and

WHEREAS, the tobacco industry has been seriously and adversely affected by recent rulings by the U.S. Government and by the advertising campaign sponsored by organized groups opposed to the use of tobacco;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

(1) The Kentucky Department of Agriculture be and it is hereby authorized and directed to research and explore all feasible methods of preserving and expanding the tobacco industry in the Commonwealth.

(2) The Legislative Research Commission and any other department of state government shall furnish to the Department of Agriculture such information, advice and assistance that they may have and cooperate with the department in making this study and in the preparation of reports of findings and legislative recommendations.

(3) The Department of Agriculture report its findings and legislative recommendations to the 1972 session of the General Assembly for appropriate action.

HB 212, AN ACT relating to moisture testing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The Kentucky Department of Agriculture shall make or cause to be made all inspections and shall have authority to establish tolerances and specifications for grain moisture measuring devices, similar to the tolerances and specifications recommended or used by the grain branch of the United States Department of Agriculture, which shall have for their object the establishment of more accurate grain and thresher run seed moisture measuring in the Commonwealth of Kentucky. The Department of Agriculture shall have authority to charge a fee to those persons set forth in Section 4 of this Act not to exceed ten dollars per year to cover the cost of inspecting grain moisture measuring devices.

Section 2. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The inspectors of the Kentucky Department of Agriculture shall have the power and it shall be their duty to inspect, make comparative tests of, and ascertain if correct, every grain moisture measuring device used or employed in this state by any proprietor, agent or lessee or employee in proving or ascertaining the moisture of agricultural commodities offered for sale, sold, purchased or in the process of being purchased. Such inspector shall use as a standard for making such comparative test a grain moisture measuring device meeting the tolerances and specifications established pursuant to the provisions of Section 1 of this Act.

Section 3. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Whenever the inspector for the Kentucky Department of Agriculture compares grain moisture tests of the device being tested with the standard grain moisture measuring device and finds that they correspond or causes them to correspond with the standard he shall seal or mark such grain moisture measuring testing device with appropriate seals or works. Any such grain moisture measuring testing device which upon such inspection shall be found to be defective and which defect cannot be immediately corrected shall be sealed or marked with an approp-

riate seal indicating such device to be defective and the owner or user of such device shall be notified of such defective condition on an appropriate inspection form on the date of such inspection.

Section 4. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Any person, firm, or corporation engaged in the business of grain buying, custom grain storage and/or grain banking, resale of grain, and grain used for feed manufacturing and who purchases or makes sales based on moisture content must show moisture contents of these commodities as determined on an approved moisture measuring testing device. In the case of grain storage and/or grain banking, moisture content must be determined both when the grain is put in storage and when it is taken out and the same discount schedule used when grain is put into storage must be used when grain is taken out. When thresher run seed is bought and the seller is discounted according to the moisture content, this moisture content must be determined by a moisture measuring device approved by the Department of Agriculture. Any person who, by himself or by his agent or as agent of another person uses in determining moisture content any grain moisture measuring device which has not been tested and approved for use by the Kentucky Department of Agriculture shall be guilty of a misdemeanor; except that the use of a newly purchased grain moisture measuring device prior to regular inspection and approval shall not be considered as misdemeanor if the user of such device has given notice to the Kentucky Department of Agriculture of the purchase and intended use of such new device. Such notice shall be given by either certified or registered mail not later than ten days prior to the date of such intended use. In an emergency situation, a person may substitute an untested moisture measuring device in place of an approved device for a period of not more than 24 hours before notifying the Department of its emergency use and making arrangements for its inspection.

Section 5. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Any person who violates the provisions of Sections 2, 3 and 4 of this Act shall be fined not less than fifty dollars nor more

than two hundred dollars for the first offense; he shall be fined not less than five hundred dollars nor more than one thousand dollars, and/or be confined in the county jail for not less than sixty days nor more than one hundred and twenty days, for each subsequent offense.

The Committee Amendment to **HB 212** is as follows:

Amend printed copy of House Bill 212 on page 1, line 9, by: striking "and thresher run seed" after the word "grain" place comma and insert "small grain, corn and soybeans"

and on line 10
by striking "The Department of Agriculture shall have authority to charge a fee to those persons set forth in Section 4 of this Act not to exceed ten dollars per year to cover the cost of inspecting grain moisture measuring devices.

and on page 3, line 11
by striking "thresher run seed" and inserting "small grain, corn and soybeans.

HB 102, AN ACT to provide for inspection of the slaughter of poultry and rabbits and the processing of poultry and rabbits and poultry and rabbit products solely for distribution in this Commonwealth.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be designated as the Kentucky Poultry and Rabbit Products Inspection Act, and shall be Chapter 217A of the Kentucky Revised Statutes.

Section 2. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

Poultry and poultry products are an important source of the Nation's total supply of food. It is essential in the public interest that the health and welfare of consumers be protected by assuring that slaughtered poultry and poultry products and slaughtered rabbit and rabbit products distributed to them are wholesome, not adulterated, and properly marked, labeled, and packaged. Unwholesome, adulterated, or misbranded poultry and rabbit or poultry and rabbit products are injurious to the public welfare,

destroy markets for wholesome, not adulterated, and properly labeled and packaged poultry and rabbit and poultry and rabbit products, and result in sundry losses to poultry and rabbit producers and processors of poultry and rabbit and poultry and rabbit products, as well as injury to consumers. The unwholesome adulterated, mislabeled, or deceptively packaged articles can be sold at lower prices and compete unfairly with the wholesome, not adulterated, and properly labeled and packaged articles, to the detriment of consumers and the public generally. It is hereby found that regulation by the department and cooperation by this commonwealth and the United States as contemplated by this Act are appropriate to protect the health and welfare of consumers and otherwise effectuate the purposes of this Act.

Section 3. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

It is hereby declared to be the policy of the General Assembly of this Commonwealth to provide for the inspection of poultry and rabbit and poultry and rabbit products and otherwise regulate the processing and distribution of such articles as hereinafter prescribed to prevent the movement or sale in intrastate commerce of poultry and poultry products and rabbit and rabbit products which are adulterated or misbranded. It is the intent of the General Assembly that when poultry and poultry products and rabbit and rabbit products are condemned because of disease, the reason for condemnation in such instances shall be supported by scientific fact, information, or criteria, and such condemnation under this Act shall be achieved through uniform inspection standards and uniform application thereof.

Section 4. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, except as otherwise specified, the following terms shall have the meanings stated below:

(1) The term "Commissioner" means the Commissioner of Agriculture or his delegate;

(2) The term "Department" means the Department of Agriculture;

(3) The term "person" means any individual, partnership, corporation, association, or other business unit;

(4) The term "products broker" means any person, engaged in the business of buying or selling poultry or rabbit products on commission, or otherwise negotiating purchases or sales of such articles other than for his own account or as an employe of another person;

(5) The term "renderer" means any person engaged in the business of rendering carcasses, or parts or products of the carcasses, of poultry or rabbits, except rendering conducted under inspection or exemption under this Act;

(6) The term "animal food manufacturer" means any person engaged in the business of manufacturing or processing animal food derived wholly or in part from carcasses, or parts or products of the carcasses of poultry or rabbits;

(7) The term "intrastate commerce" means commerce within this Commonwealth;

(8) The term "poultry" means any domesticated bird or fowl, whether live or dead;

(9) The term "rabbit" means any domesticated rabbit, whether live or dead;

(10) The term "poultry or rabbit product" means any poultry or rabbit carcass, or part thereof; or any product which is made wholly or in part from any poultry or rabbit carcass or part thereof, excepting products which contain poultry or rabbit ingredients only in a relatively small proportion or historically have not been considered by consumers as products of the poultry or rabbit food industry, and which are exempted by the department from definition as a poultry or rabbit product under such conditions as the department may prescribe to assure that the poultry and rabbit ingredients in such products are not adulterated and that such products are not represented as poultry or rabbit products;

(11) The term "capable of use as human food" shall apply to any carcass, or part or product of a carcass, of any poultry or rabbit, unless it is denatured or otherwise identified as required by regulations prescribed by the department to deter its use as human food, or it is naturally inedible by humans;

(12) The term "processed" means slaughtered, canned,

salted, stuffed, rendered, boned, cut up, or otherwise manufactured or processed;

(13) The term "adulterated" shall apply to any poultry or rabbit product under one or more of the following circumstances;

(a) If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance, such article shall not be considered adulterated under this paragraph if the quantity of such substance in or on such article does not ordinarily render it injurious to health;

(b) 1. If it bears or contains (by reason of administration of any substance to the live poultry or rabbit or otherwise) any added poisonous or added deleterious substance (other than one which is a. a pesticide chemical in or on a raw agricultural commodity; b. a food additive; or c. a color additive) which may, in the judgment of the department make such article unfit for human food;

2. If it is, in whole or in part, a raw agricultural commodity and such commodity bears or contains a pesticide chemical which is unsafe within the meaning of section 408 of the Federal Food, Drug, and Cosmetic Act;

3. If it bears or contains any food additive which is unsafe within the meaning of section 409 of the Federal Food, Drug, and Cosmetic Act;

4. If it bears or contains any color additive which is unsafe within the meaning of section 706 of the Federal Food, Drug, and Cosmetic Act: Provided, that an article which is not otherwise deemed adulterated under subparagraph 2., 3., or 4., shall nevertheless be deemed adulterated if use of the pesticide chemical, food additive, or color additive in or on such article is prohibited by regulations of the department in inspected establishments;

(c) If it consists in whole or in part of any filthy, putrid, or decomposed substance or is for any other reason unsound, unhealthful, unwholesome, or otherwise unfit for human food;

(d) If it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health;

(e) If it is, in whole or in part, the product of any poultry or rabbit which has died otherwise than by slaughter;

(f) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health;

(g) If it has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect pursuant to section 409 of the Federal Food, Drug, and Cosmetic Act; or

(h) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or if any substance has been substituted, wholly or in part therefor; or if damage or inferiority has been concealed in any manner; or if any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is;

(14) The term "misbranded" shall apply to any poultry or rabbit product under one or more of the following circumstances;

(a) If its labeling is false or misleading in any particular;

(b) If it is offered for sale under the name of another food;

(c) If it is an imitation of another food, unless its label bears, in type of uniform size and prominence, the word "imitation" and immediately thereafter, the name of the food imitated;

(d) If its container is so made, formed, or filled as to be misleading;

(e) Unless it bears a label showing

1. The name and place of business of the manufacturer, packer, or distributor; and

2. An accurate statement of the quantity of the product in terms of weight, measure, or numerical count; Provided, That under subparagraph 2. of this paragraph (e), reasonable variations may be permitted, and exemptions as to small packages or articles not in packages or other containers may be established, by regulations prescribed by the department;

(f) If any word, statement, or other information required by or under authority of this Act to appear on the label or other labeling is not prominently placed thereon with such con-

spicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;

(g) If it purports to be or is represented as a food for which a definition and standard of identity or composition has been prescribed by regulations of the department under Section 8 of this Act unless

1. It conforms to such definition and standard, and

2. Its label bears the name of the food specified in the definition and standard and, insofar as may be required by such regulations, the common names of optional ingredients (other than spices, flavoring, and coloring) present in such food;

(h) If it purports to be or is represented as a food for which a standard or standards of fill of container have been prescribed by regulations of the department under Section 8 of this Act, and it falls below the standard of fill of container applicable thereto, unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard;

(i) If it is not subject to the provisions of paragraph (g), unless its label bears

1. The common or usual name of the food, if any there be, and

2. In case it is fabricated from two or more ingredients, the common or usual name of each such ingredient; except that spices, flavorings, and colorings may, when authorized by the department be designated as spices, flavorings, and colorings without naming each: Provided, that, to the extent that compliance with the requirements of subparagraph 2. of this paragraph (i) is impracticable, or results in deception or unfair competition, exemptions shall be established by regulations promulgated by the department;

(j) If it purports to be or is represented for special dietary uses, unless its label bears such information concerning its vitamin, mineral, or other dietary properties as the department, after consultation with the Secretary of Agriculture of the United States, determines to be, and by regulations prescribes as, neces-

sary in order to fully inform purchasers as to its value for such uses;

(k) If it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact: Provided, that, to the extent that compliance with the requirements of this paragraph (k) is impracticable, exemptions shall be established by regulations promulgated by the department; or

(l) If it fails to bear on its containers, and in the case of nonconsumer packaged carcasses (if the department so requires) directly thereon, as the department may by regulations prescribe, the official inspection legend and official establishment number of the establishment where the article was processed, and, unrestricted by any of the foregoing, such other information as the department may require in such regulations to assure that it will not have false or misleading labeling and that the public will be informed of the manner of handling required to maintain the article in a wholesome condition.

(15) The term "label" means a display of written, printed, or graphic matter upon any article or the immediate container (not including package liners) of any article;

(16) The term "labeling" means all labels and other written, printed, or graphic matter (a) upon any article or any of its containers or wrappers, or (b) accompanying such article;

(17) The term "Federal Poultry Products Inspection Act" means the Act so entitled approved August 28, 1957 (71 Stat. 441), as amended by the Wholesome Poultry Products Act (82 Stat. 791);

(18) The term "Federal Food, Drug, and Cosmetic Act" means the Act so entitled, approved June 25, 1938 (52 Stat. 1040), and Acts amendatory thereof or supplementary thereto;

(19) The terms "pesticide chemical," "food additive," "color additive," and "raw agricultural commodity" shall have the same meanings for purposes of this Act as under the Federal Food, Drug, and Cosmetic Act;

(20) The term "official mark" means the official inspection legend or any other symbol prescribed by regulation of the de-

partment to identify the status of any article of poultry or rabbit under this Act;

(21) The term "official inspection legend" means any symbol prescribed by regulation of the department showing that an article was inspected for wholesomeness in accordance with this Act;

(22) The term "official certificate" means any certificate prescribed by regulation of the department for issuance by an inspector or other person performing official functions under this Act;

(23) The term "official device" means any device prescribed or authorized by the department for use in applying any official mark;

(24) The term "official establishment" means any establishment as determined by the department at which inspection of the slaughter of poultry and rabbits, or the processing of poultry and rabbit products, is maintained under the authority of this Act;

(25) The term "inspection service" means the official government service within the state department designated by the commissioner as having the responsibility for carrying out the provisions of this Act;

(26) The term "inspector" means an employe or official of the department authorized by the commissioner to inspect poultry and rabbit and poultry and rabbit products under the authority of this Act, or any employe or official of the government of any county or other governmental subdivision of this Commonwealth authorized by the commissioner to inspect poultry and rabbit and poultry and rabbit products under authority of this Act, under an agreement entered into between the department and such governmental subdivision;

(27) The term "container" or "package" includes any box, can, tin, cloth, plastic, or other receptacle, wrapper, or cover;

(28) The term "shipping container" means any container used or intended for use in packaging the product packed in an immediate container;

(29) The term "immediate container" includes any consumer package, or any other container in which poultry products, not consumer packaged, are packed.

Section 5. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) The department is hereby designated as the state agency which shall be responsible for cooperating with the Secretary of Agriculture of the United States under the provisions of Section 5 of the Federal Poultry Products Inspection Act and such agency is directed to cooperate with the Secretary of Agriculture of the United States in developing and administering the poultry products inspection program of this Commonwealth under this Act to assure that not later than August 18, 1970, the state requirements will be at least equal to those imposed under sections 1-4, 6-10, and 12-22 of the Federal Poultry Products Inspection Act and in developing and administering the program of this Commonwealth under Section 11 of this Act in such manner as will effectuate the purposes of this Act and said Federal Act.

(2) In such cooperative efforts, the commissioner is authorized to accept from said secretary advisory assistance in planning and otherwise developing the state program, technical and laboratory assistance, and training (including necessary curricular and instructional materials and equipment), and financial and other aid for administration of such a program. The commissioner is further authorized to spend public funds of this Commonwealth appropriated for administration of this Act to pay such share of the estimated total cost of the cooperative program as may be agreed upon by the commissioner and the secretary.

(3) The commissioner is further authorized to recommend to the said Secretary of Agriculture such officials or employes of this Commonwealth as the commissioner shall designate, for appointment to the advisory committees provided for in Section 5 of the Federal Poultry Products Inspection Act; and the commissioner shall serve as the representative of the Governor for consultation with said secretary under paragraph (c) of Section 5 of said Act unless the Governor shall select another representative.

Section 6. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) For the purpose of preventing the entry into or flow or movement in intrastate commerce of any poultry or rabbit products which are capable of use as human food and are adulterated, the commissioner shall, where and to the extent considered by him necessary, cause to be made by inspectors ante-mortem inspection of poultry in each official establishment engaged in processing poultry and rabbit or poultry and rabbit products solely for intrastate commerce.

(2) The department, whenever processing operations are being conducted, shall cause to be made by inspectors post-mortem inspection of the carcass of each bird or rabbit processed, and at any time such quarantine, segregation and reinspection as he deems necessary of poultry and rabbit and poultry and rabbit products capable of use as human food in each official establishment engaged in processing such poultry and rabbit or poultry and rabbit products solely for intrastate commerce.

(3) All poultry and rabbit carcasses and parts thereof and other poultry and rabbit products found to be adulterated shall be condemned and shall, if no appeal be taken from such determination of condemnation, be destroyed for human food purposes under the supervision of an inspector: Provided, that carcasses, parts, and products, which may by reprocessing be made not adulterated, need not be so condemned and destroyed if so reprocessed under the supervision of an inspector and thereafter found to be no adulterated. If an appeal be taken from such determination, the carcasses, parts, or products shall be appropriately marked and segregated pending completion of an appeal inspection, which appeal shall be at the cost of the appellant if the commissioner determines that the appeal is frivolous. If the determination of condemnation is sustained the carcasses, parts, and products shall be destroyed for food purposes under the supervision of an inspector.

Section 7. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) Each official establishment slaughtering poultry and rabbit or processing poultry and rabbit products solely for intra-

state commerce shall have such premises, facilities, and equipment, and be operated in accordance with such sanitary practices, as are required by regulations promulgated by the department for the purpose of preventing the entry into or flow or movement in intrastate commerce of poultry and rabbit products which are adulterated.

(2) The department shall refuse to render inspection to any establishment whose premises, facilities, or equipment, or the operation thereof, fail to meet the requirements of this section.

Section 8. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) All poultry and rabbit products inspected at any official establishment under the authority of this Act and found to be not adulterated, shall at the time they leave the establishment bear, in distinctly legible form, on their shipping containers and immediate containers as the department may require, the information required under subsection (14) of Section 4 of this Act. In addition, the commissioner whenever he determines such action is practicable and necessary for the protection of the public, may require nonconsumer packaged carcasses at the time they leave the establishment to bear directly thereon in distinctly legible form any information required under such subsection (14).

(2) The department whenever it determines such action is necessary for the protection of the public, may prescribe:

(a) The styles and sizes of type to be used with respect to material required to be incorporated in labeling to avoid false or misleading labeling in marking or otherwise labeling any articles or poultry subject to this Act;

(b) Definitions and standards of identity or composition for articles subject to this Act and standards of fill of container for such articles not inconsistent with any such standards established under the Federal Food, Drug and Cosmetic Act, or under the Federal Poultry Products Inspection Act, and there shall be consultation between the department and the Secretary of Agriculture of the United States prior to the issuance of such standards to avoid inconsistency between such standards and the federal standards.

(3) No article subject to this Act shall be sold or offered for sale by any person in intrastate commerce, under any name or other marking or labeling which is false or misleading, or in any container of a misleading form or size, but established trade names and other marking and labeling and containers which are not false or misleading and which are approved by the department are permitted.

(4) If the commissioner has reason to believe that any marking or labeling or the size or form of any container in use or proposed for use with respect to any article subject to this Act is false or misleading in any particular, he may direct that such use be withheld unless the marking, labeling, or container is modified in such manner as he may prescribe so that it will not be false or misleading. If the person using or proposing to use the marking, labeling or container does not accept the determination of the commissioner, such person may request a hearing, but the use of the marking, labeling, or container shall, if the commissioner so directs, be withheld pending hearing and final determination by the commissioner. Any such determination by the commissioner shall be conclusive unless, within thirty days after receipt of notice of such final determination, the person adversely affected thereby appeals to the circuit court for the circuit in which such person has his principal place of business.

Section 9. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) No person shall:

(a) Slaughter any poultry and rabbit or process any poultry and rabbit products which are capable of use as human food at any establishment processing any such articles solely for intrastate commerce, except in compliance with the requirements of this Act;

(b) Sell, transport, offer for sale or transportation, or receive for transportation, in intrastate commerce,

1. Any poultry and rabbit products which are capable of use as human food and are adulterated or misbranded at the time of such sale, transportation, offer for sale or transportation, or receipt for transportation; or

2. Any poultry and rabbit products required to be inspected under this Act unless they have been so inspected and passed;

(c) Do, with respect to any poultry and rabbit products which are capable of use as human food, any act while they are being transported in intrastate commerce or held for sale after such transportation, which is intended to cause or has the effect of causing such products to be adulterated or misbranded;

(d) Sell, transport, offer for sale or transportation, or receive for transportation, in intrastate commerce or from an establishment, any slaughtered poultry and rabbits from which the blood, feathers, fur, feet, head, or viscera have not been removed in accordance with regulations promulgated by the department, except as may be authorized by regulations of the department;

(e) Use to his own advantage, or reveal other than to the authorized representatives of the state government or any other government in their official capacity, or as ordered by a court in any judicial proceedings, any information acquired under the authority of this Act concerning any matter which is entitled to protection as a trade secret.

(2) No brand manufacturer, printer, or other person shall cast, print, lithograph, or otherwise make any device containing any official mark or simulation thereof, or any label bearing any such mark or simulation, or any form of official certificate or simulation thereof, except as authorized by the department.

(3) No person shall:

(a) Forge any official device, mark, or certificate;

(b) Without authorization from the department use any official device, mark, or certificate, or simulation thereof, or alter, detach, deface, or destroy any official device, mark, or certificate;

(c) Contrary to the regulations prescribed by the department, fail to use, or to detach, deface, or destroy any official device, mark, or certificate;

(d) Knowingly possess, without promptly notifying the commissioner or his representative, any official device or any counterfeit, simulated, forged, or improperly altered official certificate or any device or label or any carcass of any poultry or

rabbit or part or product thereof, bearing any counterfeit, simulated, forged, or improperly altered official mark;

(e) Knowingly make any false statement in any shipper's certificate or other nonofficial or official certificate provided for in the regulations prescribed by the department; or

(f) Knowingly represent that any article has been inspected and passed, or exempted, under this Act when, in fact, it has, respectively, not been so inspected and passed, or exempted.

Section 10. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

No establishment processing poultry and rabbits or poultry and rabbit products solely for intrastate commerce shall process any poultry and rabbit or poultry and rabbit product capable of use as human food except in compliance with the requirements of this Act.

Section 11. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) Inspection shall not be provided under this Act at any establishment for the slaughter of poultry and rabbits or the processing of any carcasses or parts or products of poultry and rabbits, which are not intended for use as human food, but such articles shall, prior to their offer for sale or transportation in intrastate commerce, unless naturally inedible by humans, be denatured or otherwise identified as prescribed by regulations of the department to deter their use for human food. No person shall buy, sell, transport, or offer for sale or transportation, or receive for transportation, in intrastate commerce, any poultry or rabbit carcasses or parts of products thereof which are not intended for use as human food unless they are denatured or otherwise identified as required by the regulations of the department or are naturally inedible by humans.

(2) The following classes of persons shall, for such period of time as the department may by regulations prescribe, not to exceed two years unless otherwise directed by the department for good cause shown, keep such records as are properly necessary for the effective enforcement of this Act in order to insure against adulterated or misbranded poultry and rabbit products for the American consumer; and all persons subject to such re-

quirements shall, at all reasonable times, upon notice by a duly authorized representative of the commissioner, afford such representative access to their places of business and opportunity to examine the facilities, inventory, and records thereof, to copy all such records, and to take reasonable samples of their inventory upon payment of the fair market value therefor:

(a) Any person that engages in the business of slaughtering any poultry and rabbits or processing, freezing, packaging, or labeling any carcasses, or parts or products of carcasses, of any poultry and rabbits, for intrastate commerce, for use as human food or animal food;

(b) Any person that engages in the business of buying or selling (as poultry or rabbit products brokers; wholesalers or otherwise), or transporting, in intrastate commerce, or storing in or for intrastate commerce, any carcasses, or parts or products of carcasses, of any poultry or rabbits;

(c) Any person that engages in business, in or for intrastate commerce, as a renderer, or engages in the business of buying, selling, or transporting, in intrastate commerce, any dead, dying, disabled, or diseased poultry and rabbits or parts of the carcasses of any poultry and rabbits that died otherwise than by slaughter.

(3) No person shall engage in business, in or for intrastate commerce, as a poultry and rabbit products broker, renderer, or animal food manufacturer, or engage in business in intrastate commerce as a wholesaler of any carcasses, or parts or products of the carcasses, of any poultry and rabbits, whether intended for human food or other purposes, or engage in business as a public warehouseman storing any such articles in or for intrastate commerce, or engage in the business of buying, selling, or transporting in intrastate commerce any dead, dying, disabled, or diseased poultry and rabbits, or parts of the carcasses of any poultry and rabbits that died otherwise than by slaughter, unless, when required by regulations of the department, he has registered with the department his name, and the address of each place of business at which, and all trade names under which, he conducts such business.

(4) No person engaged in the business of buying, selling, or transporting in intrastate commerce, dead, dying, disabled, or

diseased poultry and rabbits, or any parts of the carcasses of any poultry and rabbits that died otherwise than by slaughter, shall buy, sell, transport, offer for sale or transportation, or receive for transportation in intrastate commerce, any dead, dying, disabled or diseased poultry and rabbits or parts of the carcasses of any poultry and rabbits that died otherwise than by slaughter, unless such transaction or transportation is made in accordance with such regulations as the department may prescribe to assure that such poultry or rabbits, or the unwholesome parts or products thereof, will be prevented from being used for human food.

Section 12. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) Any person who violates the provisions of Section 9, 10, 11 or 14 of this Act shall be fined not more than $1,000 or imprisoned not more than one year, or both; but if such violation involves intent to defraud, or any distribution or attempted distribution of an article that is adulterated (except as defined in Section 4 (13)(h) of this Act), such person shall be fined not more than $10,000 or imprisoned in the penitentiary not more than three years, or both. When construing or enforcing the provisions of said sections the act, omission, or failure of any person acting for or employed by any individual, partnership, corporation, or association within the scope of his employment or office shall in every case be deemed the act, omission, or failure of such individual, partnership, corporation, or association, as well as of such person.

(2) No carrier shall be subject to the penalties of this Act, other than the penalties for violation of Section 11, by reason of his receipt, carriage, holding, or delivery, in the usual course of business, as a carrier, of poultry and rabbit or poultry and rabbit products, owned by another person unless the carrier has knowledge, or is in possession of facts which would cause a reasonable person to believe that such poultry and rabbit or poultry and rabbit products were not inspected or marked in accordance with the provisions of this Act or were otherwise not eligible for transportation under this Act or unless the carrier refuses to furnish on request of a representative of the commissioner the name and address of the person from whom he received such poultry and rabbit or poultry and rabbit products, and copies of all docu-

ments, if any there be, pertaining to the delivery of the poultry and rabbit or poultry and rabbit products to such carrier.

(3) Any person who forcibly assaults, resists, opposes, impedes, intimidates, or interferes with any person while engaged in or on account of the performance of his official duties under this Act shall be fined not more than $5,000 or imprisoned in the penitentiary not more than three years, or both. Whoever, in the commission of any such acts, uses a deadly or dangerous weapon, shall be fined not more than $10,000 or imprisoned in the penitentiary not more than ten years, or both. Whoever kills any person while engaged in or on account of the performance of his official duties under this Act shall be subject to punishment as provided under KRS 435.010.

Section 13. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

Before any violation of this Act is reported by the commissioner to any Commonwealth's attorney for institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given reasonable notice of the alleged violation and opportunity to present his views orally or in writing with regard to such contemplated proceeding. Nothing in this Act shall be construed as requiring the commissioner to report for criminal prosecution violations of this Act whenever he believes that the public interest will be adequately served and compliance with the Act obtained by a suitable written notice or warning.

Section 14. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) The department may by regulations prescribe conditions under which poultry and rabbit products capable of use as human food, shall be stored or otherwise handled by any person engaged in the business of buying, selling, freezing, storing, or transporting, in or for intrastate commerce, such articles, whenever the department deems such action necessary to assure that such articles will not be adulterated or misbranded when delivered to the consumer. Violation of any such regulation is prohibited.

(2) The department shall promulgate such other rules and regulations as are necessary to carry out the provisions of this Act.

(3) When opportunity is afforded for submission of comments by interested persons on proposed rules or regulations under this Act, it shall include opportunity for oral presentation of views.

Section 15. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) The department shall, by regulation and under such conditions, including requirements, as to sanitary standards, practices, and procedures as it may prescribe, exempt from specific provisions of this Act with respect to processing of poultry and rabbit or poultry and rabbit products solely for intrastate commerce and distribution of poultry and rabbit or poultry and rabbit products only in such commerce:

(a) Retail stores and restaurants with respect to inspected poultry and rabbit products sold directly to consumers in individual retail stores and restaurants, if the only processing operation performed by such retail stores and restaurants is the cutting up of inspected poultry and rabbit products on the premises where such sales to consumers are made;

(b) For such period of time as the commissioner determines that it would be impracticable to provide inspection and the exemption will aid in the effective administration of this Act, any person engaged in the processing of poultry and rabbit or poultry and rabbit products and the poultry and rabbit or poultry and rabbit products processed by such person: Provided, however, That no such exemption shall continue in effect more than 120 days after enactment of this Act;

(c) Persons slaughtering, processing, or otherwise handling poultry and rabbit or poultry and rabbit products which have been or are to be processed as required by recognized religious dietary laws, to the extent that the commissioner determines necessary to avoid conflict with such requirements while still effectuating the purposes of this Act;

(d) The slaughtering by any person of poultry and rabbits of his own raising, and the processing by him and transportation

of the poultry and rabbit products exclusively for use by him and members of his household and his nonpaying guests and employes;

(e) The custom slaughter by any person of poultry and rabbits delivered by the owner thereof for such slaughter, and the processing by such slaughterer and transportation of the poultry and rabbit products exclusively for use, in the household of such owner, by him and members of his household and his nonpaying guests and employes: Provided, that such custom slaughterer does not engage in the business of buying or selling any poultry and rabbit products capable of use as human food;

(f) Poultry products slaughtered or processed under the Federal Poultry Products Act or rabbits slaughtered or processed under the federal inspection or rabbits processed or slaughtered under inspection of another state whose laws and program are acceptable to the department.

(2) In addition to the specific exemptions authorized in subsection (1), the commissioner, shall, when he determines that the protection of consumers from adulterated or misbranded poultry and rabbit products will not be impaired by such action, provide by regulation, consistent with subsection (3), for the exemption of the operation and products of small enterprises (including poultry and rabbit producers), not exempted under subsection (1), which are engaged in slaughtering and/or cutting up poultry and rabbits for distribution as carcasses or parts thereof, solely for distribution within this Commonwealth, from such provisions of this Act as he deems appropriate, while still protecting the public from adulterated or misbranded products, under such conditions, including sanitary requirements, as he shall prescribe to effectuate the purposes of this Act.

(3) The adulteration and misbranding provisions of this Act, other than the requirement of the inspection legend, shall apply to articles which are exempted from inspection under this section.

(4) The commissioner may by order suspend or terminate any exemption of this section with respect to any person whenever he finds that such action will aid in effectuating the purposes of this Act.

Section 16. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

The department may limit the entry of poultry and rabbit products and other materials into any establishment, under such conditions as he may prescribe to assure that allowing the entry of such articles into such inspected establishments will be consistent with the purposes of this Act.

Section 17. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) The commissioner may (for such period, or indefinitely, as he deems necessary to effectuate the purposes of this Act) refuse to provide, or withdraw, inspection service under this Act with respect to any establishment if he determines, after opportunity for a hearing is accorded to the applicant for, or recipient of, such service, that such applicant or recipient is unfit to engage in any business requiring inspection upon this Act because the applicant or recipient or anyone responsibly connected with the applicant or recipient, has been convicted, in any federal or state court, within the previous ten years of

(a) Any felony or more than one misdemeanor under any law based upon the acquiring, handling, or distributing of adulterated, mislabeled, or deceptively packaged food or fraud in connection with transactions in food; or

(b) Any felony, involving fraud, bribery, extortion, or any other act or circumstances indicating a lack of the integrity needed for the conduct of operations affecting the public health. For the purpose of this subsection a person shall be deemed to be responsibly connected with the business if he was a partner, officer, director, holder, or owner of 10 percent or more of its voting stock or employe in a managerial or executive capacity.

(2) Upon the withdrawal of inspection service from any establishment for failure to destroy condemned poultry and rabbit products as required under Section 6 of this Act, or other failure of an official establishment to comply with the requirements as to premises, facilities, or equipment, or the operation thereof, as provided in Section 7 of this Act, or the refusal of inspection service to any applicant therefor because of failure to comply with any requirements under Section 7, the applicant

for, or recipient of, the service shall, upon request, be afforded opportunity for a hearing with respect to the merits or validity of such action; but such withdrawal or refusal shall continue in effect unless otherwise ordered by the commissioner.

(3) The determination and order of the commissioner when made after opportunity for hearing, with respect to withdrawal or refusal of inspection service under this Act shall be final and conclusive unless the affected applicant for, or recipient of, inspection service files application for judicial review within thirty days after the effective date of such order in the appropriate court as provided in Section 20. Judicial review of any such order shall be upon the record upon which the determination and order are based.

Section 18. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

Whenever any poultry and rabbit product, or any product exempted from the definition of a poultry or rabbit product, or any dead, dying, disabled, or diseased poultry and rabbit is found by any authorized representatives of the department upon any premises where it is held for purposes of, or during or after distribution in intrastate commerce, and there is reason to believe that any such article is adulterated or misbranded and is capable of use as human food, or that it has not been inspected, in violation of the provisions of this Act or of any other state or federal law or that it has been or is intended to be, distributed in violation of any such provisions, it may be detained by such representative for a period not to exceed twenty days, pending action under Section 19 of this Act or notification of any federal, state, or other governmental authorities having jurisdiction over such article or poultry and rabbit, and shall not be moved by any person, from the place at which it is located when so detained, until released by such representative. All official marks may be required by such representative to be removed from such article, poultry or rabbit before it is released unless it appears to the satisfaction of the department that the article, poultry or rabbit is eligible to retain such marks.

Section 19. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) Any poultry product, or any dead, dying, or disabled, or diseased poultry, that is being transported in intrastate commerce, subject to this Act, or is held for sale in this Commonwealth after such transportation, and that

(a) Is or has been processed, sold, transported, or otherwise distributed or offered or received for distribution in violation of this Act, or

(b) Is capable of use as human food and is adulterated or misbranded, or

(c) In any other way is in violation of this Act, shall be liable to be proceeded against and seized and condemned, at any time, on a libel of information in any proper court within the jurisdiction of which the article, poultry or rabbit is found. If the article, poultry or rabbit is condemned it shall, after entry of the decree, be disposed of by destruction or sale as the court may direct and the proceeds, if sold, less the court costs and fees, and storage and other proper expenses, shall be paid into the Treasury of this Commonwealth, but the article, poultry or rabbit shall not be sold contrary to the provisions of this Act, or the Federal Poultry Products Inspection Act or the Federal Food, Drug, and Cosmetic Act: Provided, that upon the execution and delivery of a good and sufficient bond conditioned that the article, poultry or rabbit shall not be sold or otherwise disposed of contrary to the provisions of this Act or the laws of the United States, the court may direct that such article or poultry be delivered to the owner thereof subject to such supervision by authorized representatives of the department as is necessary to insure compliance with the applicable laws. When a decree of condemnation is entered against the article, poultry or rabbit and it is released under bond, or destroyed, court costs and fees, and storage and other proper expenses shall be awarded against the person, if any, intervening as claimant of the article, poultry or rabbit. The proceedings in such libel cases shall conform, as nearly as may be, to the proceedings in admiralty, except that either party may demand trial by jury of any issue of fact joined in any case, and all such proceedings shall be at the suit of and in the name of this Commonwealth.

(2) The provisions of this section shall in no way derogate from authority for condemnation or seizure conferred by other provisions of this Act, or other laws.

Section 20. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

The circuit courts of the Commonwealth are vested with jurisdiction specifically to enforce, and to prevent and restrain violations of this Act, and shall have jurisdiction in all other kinds of cases arising under this Act. All proceeding for the enforcement or to restrain violations of this Act shall be by and in the name of this Commonwealth. Subpoenas for witnesses who are required to attend a court of this Commonwealth in any district may run into any other district of this Commonwealth in any such proceedings.

Section 21. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

(1) The commissioner or his authorized representative shall also have power:

(a) To gather and compile information concerning and, to investigate from time to time the organization, business, conduct, practices, and management of any person engaged in intrastate commerce, and the relation thereof to other persons;

(b) To require, by general or special orders, persons engaged in intrastate commerce, or any class of them, or any of them to file with the commissioner, in such form as the commissioner may prescribe, annual or special, or both annual and special, reports or answers in writing to specific questions, furnishing to the commissioner such information as he may require as to the organization, business, conduct, practices, management, and relation to other persons of the person filing such reports or answers in writing. Such reports and answers shall be made under oath, or otherwise, as the commissioner may prescribe, and shall be filed with the commissioner within such reasonable period as the commissioner may prescribe, unless additional time be granted in any case by the commissioner.

(2) (a) For the purposes of this Act the commissioner or his authorized representative shall at all reasonable times have access to, for the purpose of examination, and the right to copy, any documentary evidence of any person being investigated or proceeded against, and may require by subpoena the attendance and testimony of witnesses and the production of all documentary

evidence of any person relating to any matter under investigation. The commissioner may sign subpoenas and may administer oaths and affirmations, examine witnesses, and receive evidence.

(b) Such attendance of witnesses, and the production of such documentary evidence, may be required at any designated place of hearing. In case of disobedience to a subpoena the commissioner may invoke the aid of any court designated in Section 20 of this Act in requiring the attendance and testimony of witnesses and the production of documentary evidence.

(c) Any of the courts designated in Section 20 of this Act within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpoena issued to any person, issue an order requiring such person to appear before the commissioner or to produce documentary evidence if so ordered, or to give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(d) The commissioner may order testimony to be taken by deposition in any proceeding or investigation pending under this Act at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the commissioner and having power to administer oaths. Such testimony shall be reduced to writing by the person taking the deposition, or under his direction and shall then be subscribed by the deponent. Any person may be compelled to appear and depose and to produce documentary evidence in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the commissioner as hereinbefore provided.

(e) Witnesses summoned before the commissioner shall be paid the same fees and mileage that are paid witnesses in the courts of this Commonwealth, and witnesses whose depositions are taken and the persons taking the same shall severally be entitled to the same fees as are paid for like services in such courts.

(f) No person shall be excused from attending and testifying or from producing books, papers, schedules of charges, contracts, agreements, or other documentary evidence before the commissioner or in obedience to the subpoena of the commissioner whether such subpoena be signed or issued by him or his

delegate, or in any cause or proceeding, criminal or otherwise, based upon or growing out of any alleged violation of this Act, or of any amendments thereto, on the ground or for the reason that the testimony or evidence, documentary or otherwise, required of him or it may tend to incriminate him or it or subject him or it to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that any individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

(3) (a) Any person that shall neglect or refuse to attend and testify or to answer any lawful inquiry, or to produce documentary evidence, if in his or its power to do so, in obedience to the subpoena or lawful requirement of the commissioner shall be guilty of an offense and upon conviction thereof by a court of competent jurisdiction shall be punished by a fine of not less than $1,000 nor more than $5,000, or by imprisonment for not more than one year, or by both such fine and imprisonment.

(b) Any person that shall willfully make, or cause to be made, any false entry or statement of fact in any report required to be made under this Act, or that shall willfully make, or cause to be made, any false entry in any account, record, or memorandum kept by any person subject to this Act or that shall willfully neglect or fail to make, or to cause to be made, full, true, and correct entries in such accounts, records, or memoranda, of all facts and transactions appertaining to the business of any person subject to this Act or that shall willfully remove out of the jurisdiction of this Commonwealth, or willfully multilate, alter, or by any other means falsify any documentary evidence of any such person, or that shall willfully refuse to submit to the commissioner or to any of his authorized agents, for the purpose of inspection and taking copies, any documentary evidence of any person subject to this Act in his or its possession or within his or its control, shall be deemed guilty of a felony and shall be subject, upon conviction in any court of competent jurisdiction to a fine of not less than $1,000 nor more than $5,000 or to imprisonment in the penitentiary for a term of not more than three years, or to both such fine and imprisonment.

(c) If any person required by this Act to file any annual or special report shall fail so to do within the time fixed by the commissioner for filing the same, and such failure shall continue for thirty days after notice of such default, such person shall forfeit to this Commonwealth the sum of $100 for each and every day of the continuance of such failure, which forfeiture shall be payable into the Treasury of this Commonwealth, and shall be recoverable in a civil suit in the name of the Commonwealth brought in the circuit court where the person has his or its principal office or in any circuit court in which he or it shall do business or in Franklin County Circuit Court. It shall be the duty of the various attorneys, under the direction of the Attorney General of this State, to prosecute for the recovery of such forfeitures. The costs and expenses of such prosecution shall be paid out of the appropriation for the expenses of the courts of this State.

(d) Any officer or employe of this Commonwealth who shall make public any information obtained by the commissioner without his authority, unless directed by a court, shall be deemed guilty of a misdeameanor, and, upon conviction thereof, shall be punished by a fine not exceeding $5,000, or by imprisonment, not exceeding one year, or by both such fine and imprisonment, in the discretion of the court.

Section 22. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

The requirements of this Act shall apply to persons, establishments, poultry, poultry products and other articles regulated under the Federal Poultry Products Inspection Act only to the extent provided for in Section 23 of said Federal Act.

Section 23. A new section of Chapter 217A of the Kentucky Revised Statutes is created to read as follows:

The cost of inspection rendered under the requirements of this Act, shall be borne by this Commonwealth, except as provided in Section 5 of this Act and except that the cost of overtime and holiday work performed in establishments subject to the provisions of this Act, at such rates as the department may determine shall be borne by such establishments. Sums received by the department in reimbursement for sums paid out by the

department for such premium pay work shall be available without fiscal year limitation to carry out the purposes of this section.

The Committee on Business Organizations and Professions reported **HB 37** with the expression of opinion that the same should not pass.

The Committee on Health and Welfare reported **SB 18** with Committee Amendment attached thereto and **HB 64** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 18, AN ACT relating to licensing of hospitals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 216.430 of the Kentucky Revised Statutes is amended to read as follows:

Upon receipt of an application for license accompanied by the license fee, the licensing agency shall issue a license, if the applicant and the hospital facilities meet the requirements established under KRS 216.400 to 216.500. Any hospital which is in operation at the time KRS 216.400 to 216.500 becomes effective shall be licensed upon application even though it does not comply with the standards at that time. However, failure to comply with the required standards within two years thereafter shall result in the institution of an action for revocation or suspension of the license. Each license, unless sooner suspended or revoked, shall expire on June 30 following its issuance, and be renewable annually for a fee of five dollars upon filing by the licensee and approval of the licensing agency, of an annual report upon such uniform dates and containing such information in such form as the licensing agency may reasonably require. All fees collected shall be deposited in the State Treasury for the use of the licensing agency in carrying out the purposes of KRS 216.400 to 216.500. Hospitals operated by governmental units shall be exempt from the payment of fees and licensure but shall comply with all other requirements of KRS 216.400 to 216.500. Each license shall be issued only for the premises and persons or governmental units named in the application and shall not be transferrable or assignable without the written approval of the licensing

agency. Licenses shall be posted in a conspicuous place on the licensed premises. *No license shall be granted to a hospital containing 100 beds or more, unless a doctor, intern, or resident is on duty at all times.*

The Committee Amendment to **SB 18** is as follows:

Amend printed copy of Senate Bill 18 on page 2, line 15 & 16, by:
striking the words *"on duty"* and substituting therefor the words: *"available for service on direct call"*

HB 64, AN ACT relating to the creation of the Commission on Fire Protection Personnel Standards and Education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Chapter 95D of the Kentucky Revised Statutes is hereby created.

Section 2. A new section of Chapter 95D of the Kentucky Revised Statutes is created to read as follows:

There is hereby created the Commission on Fire Protection Personnel Standards and Education, hereinafter called "commission".

Section 3. A new section of Chapter 95D of the Kentucky Revised Statutes is created to read as follows:

The commission shall have authority to make full and complete studies, recommendations and reports to the Governor and the Legislature for the purpose of:

(1) Suggesting minimum standards and education of fire protection personnel appointed to positions in municipal fire departments, who are to be engaged in fire protection to include fire suppression, fire prevention, arson investigation and other allied fields;

(2) Suggesting basic minimum courses of training for fire protection personnel;

(3) Suggesting procedure for the certification of fire protection personnel and the certification of fire protection instructors.

Section 4. A new section of Chapter 95D of the Kentucky Revised Statutes is created to read as follows:

The commission shall be composed of nine members, residents of the State of Kentucky, and appointed by the Governor. Such members shall be persons well qualified by experience and/or education in the field of fire protection or related fields. The Superintendent of Public Instruction shall serve as an ex officio member of the commission. Such appointive members shall be appointed for a term of four years, provided, however, that of the members first appointed, three shall be appointed for a term of two years, three for a term of three years, and three for a term of four years. Any member chosen by the Governor to fill a vacancy created otherwise than by expiration of term shall be appointed for the unexpired term of the member he is chosen to succeed.

Section 5. A new section of Chapter 95D of the Kentucky Revised Statutes is created to read as follows:

The commission shall elect a chairman, vice-chairman and secretary from among the appointed members at its first meeting, and thereafter at its first meeting succeeding new appointments to fill regular terms. Five members shall constitute a quorum. The Governor shall summon the commission to its first meeting.

Section 6. A new section of Chapter 95D of the Kentucky Revised Statutes is created to read as follows:

Members of the commission shall receive no compensation for their services but shall be allowed their actual and necessary expenses incurred in the performance of their functions hereunder.

Section 7. A new section of Chapter 95D of the Kentucky Revised Statutes is created to read as follows:

The commission shall have the authority to:

(1) Certify fire protection training and education programs as having attained the minimum required standards suggested by such commission;

(2) Certify instructors as having qualified as fire protection instructors under such conditions as the commission may prescribe;

(3) Direct research in the field of fire protection and to accept gifts and grants for such purposes;

(4) Recommend curricula for advanced courses and seminars in fire science training in colleges and institutions of higher education.

Section 8. A new section of Chapter 95D of the Kentucky Revised Statutes is created to read as follows:

In carrying out its duties and responsibilities the commission shall have the following additional duties:

(1) To meet at such times and places in the State of Kentucky as it deems proper; meetings shall be called by the chairman upon his own motion, or upon the written request of the five members;

(2) To contract with other agencies, public or private, or persons, as it deems necessary for the rendition and affording of such services, facilities, studies, and reports as it may require to cooperate with city, county, state and federal agencies in training programs;

(3) To make reasonable rules and regulations to carry out the duties and powers of the commission.

Section 9. A new section of Chapter 95D of the Kentucky Revised Statutes is created to read as follows:

Except as expressly provided in this Act, nothing herein contained shall be deemed to limit the powers, rights, duties, and responsibilities of municipal or county governments, or the Firemen's and Policemen's Civil Service Act.

Section 10. A new section of Chapter 95D of the Kentucky Revised Statutes is created to read as follows:

The General Assembly of the Commonwealth of Kentucky shall appropriate the necessary funds for the purpose of carrying out the provisions of this Act.

Section 11. A new section of Chapter 95D of the Kentucky Revised Statutes is created to read as follows:

This Act shall apply only to the personnel of fire departments in the state where the entire department is fully paid.

Calendar

HB 32, HB 34, HB 55, HB 85 and **HB 111** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

Representative McBrayer moved that consideration of **HB 67** be deferred and that it retain its position in Orders of the Day. Agreed.

Representative McBrayer moved that consideration of **HB 25** and **HB 26** be temporarily deferred and that they retain their position in Orders of the Day. Agreed.

HB 12, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Allen moved the adoption of the Committee Amendment to **HB 12.** Agreed.

On the roll call the vote was yeas 93—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 12 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 12** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 26 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 92—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, Kleier, Knuckles, Lindsay, Louden, Lovins, McBrayer, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 26 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 26** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 47 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 84—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carter, Clapp, Clarke, Conn, Curlin, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kessinger, Kidd, King,

Kleier, Knuckles, Lewis, Lindsay, Louden, McBride, McCann, McKinney, Massey, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 47 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 47** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 80** be deferred and that it retain its position in Orders of the Day. Agreed.

SB 38 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89—Alexander, Allen, Arnett, Baker, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 1—R. Reynolds.

SB 38 was passed and the title agreed to.

Representative Blume moved that the vote by which **SB 38** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **SR 13, SR 14, SB 34, SB 28** and **SB 61.**

Orders of the Day (Continued)

HR 25 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative Lindsay moved the adoption of **HR 25.** Agreed.

HR 25, A RESOLUTION authorizing and directing the Legislative Research Commission to conduct a study on the desirability of combining judicial districts.

WHEREAS, the present circuit court districting system in the Commonwealth has resulted in inequitable distribution of caseload among the circuits of the state; and

WHEREAS, population shifts within districts have been dealt with by the creation of more and smaller districts, making flexibility within the system impossible; and

WHEREAS, larger districts would provide a means of equalizing caseload and judicial burden and responsibility; and

WHEREAS, flexibility within the system is more easily obtained in larger districts; and

WHEREAS, in larger districts, better distribution of judicial manpower could serve as a means to eliminate the delays which are present in many Kentucky circuits;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

(1) That the Legislative Research Commission be and it is hereby authorized and directed to conduct research study on the desirability of combining circuit court districts and that districting systems in other states be surveyed comprehensively in an attempt to determine the desirability of combining circuit court districts in Kentucky.

(2) That a research report be compiled by the Legislative Research Commission, setting forth facts concerning the desirability of combining judicial districts and any recommendations about the matter;

(3) That the report be prepared for and presented to the 1972 General Assembly.

Representative McBrayer moved that consideration of **HB 35** and **HR 27** be deferred and that they retain their position in Orders of the Day. Agreed.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 261.**

Appropriations and Revenue: **HB 268, HB 281.**

Banking and Insurance: **HB 276, HB 279, HB 285.**

Business Organizations and Professions: **HB 278, HB 283.**

Cities: **HB 288.**

Counties and Special Districts: **HB 260, HB 264, HB 265, HB 290, HB 295.**

Education: **HB 267, HB 271, HB 292.**

Elections and Constitutional Amendments: **HB 263, HB 269, HB 270, HB 280, HB 282, HB 284, HB 291.**

Health and Welfare: **HB 266, HB 274, HB 277, HB 286, SB 7.**

Highways and Traffic Safety: **HB 273.**

Judiciary: **HB 287, HB 289, HB 294, SB 36.**

Labor and Industry: **HB 272, HB 275.**

State Government: **HB 262, HB 293.**

Rules: **HR 29, HR 30.**

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Judiciary: **HB 29, HB 159, HB 168, HB 181, HB 183, HB 187, HB 211, HB 221, HB 222, HB 249, SB 32.** (Room 402, January 29, 1970, 9:30 a.m.)

State Government: **HB 175, HB 176, HB 146, HB 262.** (Room 402, January 29, 1970, on adjournment)

Elections and Constitutional Amendments: **HB 202, HB 213, HB 216.** (Room 402, February 3, 1970, 10:45 a.m.)

Education: **HB 158, SB 21.** (Room 401, January 29, 1970, 10:00 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

State Government: **SB 10.**

Health and Welfare: **HB 33.**

Judiciary: **SB 32.**

The Speaker resumed the Chair.

Representative Freeman moved that the rules be suspended for the purpose of making a motion. Agreed.

Representative Freeman moved that **HB 24** be taken from the Committee on Public Utilities and Transportation and recommitted to the Committee on Appropriations and Revenue. Agreed.

Representative King asked that he be recorded as voting "yea" on **HB 12.** Agreed.

Representative Haney asked that he be recorded as voting "nay" on **HB 47.** Agreed.

Representative Blandford asked that he be recorded as voting "yea" on **SB 38.** Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HR 4** had been examined and found correctly enrolled. **HR 4** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HR 4 delivered, signed by President. Ordered delivered to the Governor.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Thursday, January 29, 1970. Agreed.

(Roll call machine was out of order. Vote on adjournment was by voice vote.)

THURSDAY, JANUARY 29, 1970
TWENTIETH LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by Dr. John C. Chenault of the First Christian Church, Frankfort.

The roll was called. All present except Representative McGill.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 28, 1970 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 310, by Representatives Prather and Rickert: AN ACT relating to inheritance tax exemptions.

HB 311, by Representatives Keith and Keene: AN ACT relating to local agricultural fairs.

HB 312, by Representative Isler: AN ACT relating to ad valorem taxes on improvements on home owner's residence.

HB 313, by Representatives DeMarcus, Schmidt and Stuart: AN ACT relating to revenue and taxation.

HB 314, by Representatives DeMarcus, Schmidt and Stuart: AN ACT relating to revenue and taxation.

HB 315, by Representatives DeMarcus, Schmidt and Stuart: AN ACT relating to revenue and taxation.

HB 316, by Representatives DeMarcus, Schmidt and Stuart: AN ACT relating to revenue and taxation.

HB 317, by Representatives DeMarcus, Schmidt and Stuart: AN ACT relating to revenue and taxation.

HB 318, by Representative Lewis: AN ACT relating to seizure of property under legal process and exemption therefrom.

HB 319, by Representative Kessinger and King: AN ACT relating to commissioners of expanded water districts.

HB 320, by Representatives Kenton, Conn and Paxton: AN ACT relating to new community districts.

HB 321, by Representative Ray: AN ACT relating to aldermen in cities of the first class.

HB 322, by Representatives Pollitte, Paxton and Freeman: AN ACT relating to motor vehicle operator's licenses.

HB 323, by Representatives Roberts and Miller: AN ACT relating to pharmacists and pharmacies.

HJR 34, by Representative Carter: A JOINT RESOLUTION directing and authorizing the Kentucky Department of Highways to devise a plan for one toll payment on Kentucky Toll Roads.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 301, HB 302.**

Banking and Insurance: **HB 307, SR 13.**

Business Organizations and Professions: **HB 304, HB 308.**

Cities: **HB 300.**

Education: **HB 306.**

Judiciary: **HB 299, HB 303, SB 34.**

Labor and Industry: **HB 297, HB 298, SB 28.**

Public Utilities and Transportation: **HB 309, SB 61.**

State Government: **HB 296, HB 305, HR 32, SR 14.**

Rules: **HR 33.**

Report of Committees

The Committee on Rules reported **HR 29, HR 30** and **HR 33** have been posted for passage in Orders of the Day, January 29, 1970.

The Committee on Rules reported **HB 32, HB 55** and **HB 111** have been posted for passage in Orders of the Day, February 2, 1970.

The Committee on Highways and Traffic Safety reported **SB 42** and **SB 44** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 42, AN ACT relating to the reporting of vehicle accidents.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 187.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) The operator of every motor vehicle which is in any manner involved in an accident within this state, in which any person is killed or injured or in which total property damage of *two hundred* [one hundred] dollars or more is sustained, shall, within ten days, report the matter in writing to the Department of Public Safety. If the operator is physically incapable of making such report, the owner of the motor vehicle involved in such accident, shall, as soon as he learns of the accident, report the matter in writing to the department. The operator or the owner shall make such other and additional reports relating to such accident as the department shall require.

(2) Failure to report an accident as herein provided or failure to give correctly the information required of him by the department in connection with such report shall be a misdemeanor and, in the event of injury or damage to the person or property of another in such accident, shall also constitute a ground for suspension or revocation of:

(a) The license or registration for any motor vehicle, or of all such licenses and registrations of the person failing to make such reports as herein required, and

(b) The nonresident's operating privilege of such person.

Section 2. Section 189.580 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who, while operating a vehicle on a highway, runs against or over, any other person, vehicle or personal property, in possession of any other person in such a manner as to injure the other person or damage the property, shall immediately stop and ascertain the extent of the injury or damage and render such assistance as may be needed, including the carrying of the person or occupants of the vehicle to the nearest medical aid, if carrying is requested by the person struck, or by any occupant. The operator or person having or assuming authority of the operator, or ownership of the vehicle, shall give the occupant of the vehicle, or person struck, if requested, the registration number of the vehicle, if any, and also the names and addresses of the owner, the occupants and operator. The total names need not exceed five in number.

(2) The operator of a vehicle involved in an accident resulting in injury to or death of any person or in which total property damage of *two hundred* [one hundred] dollars or more is sustained shall, within ten days, report the matter in writing to the Department of Public Safety.

(3) Whenever the operator of a vehicle is physically incapable of making a required accident report and there was another occupant in the vehicle at the time of the accident who is capable of making a report, that occupant shall make the report or cause it to be made.

(4) The State Police may require the operator to file supplemental reports whenever the original report required by subsection (2), is, in its opinion, insufficient. It may also require witnesses of accidents to render reports to the State Police.

Section 3. A new section of Chapter 187 of the Kentucky Revised Statutes is created to read as follows:

Any person who gives information in oral or written reports as required by Chapters 187 or 189 of the Kentucky Revised Statutes knowing or having reason to believe that such in-

formation is false shall be fined upon conviction, not more than $1000 or imprisoned for not more than twelve months, or both.

SB 44, AN ACT relating to the requirement of stop lights on vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 189 of the Kentucky Revised Statutes is created to read as follows:

No person shall operate any vehicle required by law to be licensed upon a highway unless it is equipped with a mechanical signal device which would indicate an intention to stop or suddenly decrease speed by illuminating at least one red light on the rear of the vehicle.

The Committee on Highways and Traffic Safety reported **HB 7** with the expression of opinion that the same should not pass.

The Committee on State Government reported **HB 16** with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

The Committee on State Government reported **HB 201** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 201, AN ACT relating to the slow-moving vehicle emblem.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 189 of the Kentucky Revised Statutes is created to read as follows:

(1) "Slow-moving vehicle" includes farm machinery, including animal-drawn vehicles, highway construction and maintenance vehicles, and any other type of vehicle designed for operation at a rate of speed of twenty-five miles per hour or less.

(2) "Slow-moving vehicle emblem" consists of a fluorescent yellow-orange triangle with a dark red reflective border, as speci-

fied in A.S.A.E. R276 or S.A.E. J943 standards, or a reasonable facsimile thereof made with the same size, shape, and color, and of a reasonably similar reflective qualities.

Section 2. A new section of Chapter 189 of the Kentucky Revised Statutes is created to read as follows:

(1) All new farm tractors sold and delivered after January 1, 1971, for use within the boundaries of the Commonwealth of Kentucky, shall have affixed to them as standard equipment a slow-moving vehicle emblem.

(2) The slow-moving vehicles emblem shall be displayed on all slow-moving vehicles operated upon the public roads within the Commonwealth on and after January 1, 1973.

(3) The slow-moving vehicle emblem shall be mounted as near the center of the rear of the slow-moving vehicle as is practicable, shall be mounted not less than three nor more than five feet above the road surface, and shall be maintained in a clean, reflective condition.

Section 3. A new section of Chapter 189 of the Kentucky Revised Statutes is created to read as follows:

(1) The slow-moving vehicle emblem shall not be used or mounted on:

(a) Any stationary roadside object;

(b) Vehicle with speed capabilities above twenty-five miles per hour;

(c) Trailers pulled behind vehicles with speed capabilities above twenty-five miles per hour.

(2) The slow-moving vehicle emblem shall not be used as a clearance marker for wide machinery or wide loads.

Section 4. A new section of Chapter 189 of the Kentucky Revised Statutes is created to read as follows:

Any person found guilty of violating any provision of this Act shall be fined not more than $10.00.

The Committee on Education reported **HB 74** and **SB 21** with Committee Amendment attached thereto with the expres-

sion of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 74, AN ACT relating to interstate agreement on qualification of educational personnel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 161 of the Kentucky Revised Statutes is created to read as follows:

The Interstate Agreement on Qualification of Educational Personnel is hereby enacted into law and entered into with all jurisdiction legally joining therein, in the form substantially as follows:

ARTICLE I. PURPOSE, FINDINGS, AND POLICY

(1) The States party to this Agreement, desiring by common action to improve their respective school systems by utilizing the teacher or other professional educational person wherever educated, declare that it is the policy of each of them, on the basis of cooperation with one another, to take advantage of the preparation and experience of such persons wherever gained, thereby serving the best interests of society, of education, and of the teaching profession. It is the purpose of this Agreement to provide for the development and execution of such programs of cooperation as will facilitate the movement of teachers and other professional educational personnel among the States party to it, and to authorize specific interstate educational personnel contracts to achieve that end.

(2) The party States find that included in the large movement of population among all sections of the nation are many qualified educational personnel who move for family and other personal reasons but who are hindered in using their professional skill and experience in their new locations. Variations from State to State in requirements for qualifying educational personnel discourage such personnel from taking the steps necessary to qualify in other States. As a consequence, a significant number of professionally prepared and experienced educators is lost to our school systems. Facilitating the employment of qualified

educational personnel, without reference to their States of origin, can increase the available educational resources. Participation in this Compact can increase the availability of educational manpower.

ARTICLE II. DEFINITIONS

As used in this Agreement and contracts made pursuant to it, unless the context clearly requires otherwise:

(1) "Educational personnel" means persons who must meet requirements pursuant to State law as a condition of employment in educational programs.

(2) "Designated State official" means the educational official of a State selected by that State to negotiate and enter into, on behalf of his State, contracts pursuant to this Agreement.

(3) "Accept," or any variant thereof, means to recognize and give effect to one or more determinations of another State relating to the qualifications of educational personnel in lieu of making or requiring a like determination that would otherwise be required by or pursuant to the laws of a receiving State.

(4) "State" means a State, territory, or possession of the United States; the District of Columbia; or the Commonwealth of Puerto Rico.

(5) "Originating State" means a State (and the subdivision thereof, if any) whose determination that certain educational personnel are qualified to be employed for specific duties in schools is acceptable in accordance with the terms of a contract made pursuant to Article III.

(6) "Receiving State" means a State (and the subdivisions thereof) which accept educational personnel in accordance with the terms of a contract made pursuant to Article III.

ARTICLE III.
INTERSTATE EDUCATIONAL PERSONNEL CONTRACTS

(1) The designated State official of a party State may make one or more contracts on behalf of his State with one or more other party States providing for the acceptance of educational personnel. Any such contract for the period of its duration

shall be applicable to and binding on the States whose designated state officials enter into it, and the subdivisions of those States, with the same force and effect as if incorporated in this Agreement. A designated state official may enter into a contract pursuant to this Article only with States in which he finds that there are programs of education, certification standards or other acceptable qualifications that assure preparation or qualification of educational personnel on a basis sufficiently comparable, even though not identical to that prevailing in his own State.

(2) Any such contract shall provide for:

(a) Its duration.

(b) The criteria to be applied by an originating State in qualifying educational personnel for acceptance by a receiving State.

(c) Such waivers, substitutions, and conditional acceptance as shall aid the practical effectuation of the contract without sacrifice of basic educational standards.

(d) Any other necessary matters.

(3) No contract made pursuant to this Agreement shall be for a term longer than five years but any such contract may be renewed for like or lesser periods.

(4) Any contract dealing with acceptance of educational personnel on the basis of their having completed an educational program shall specify the earliest date or dates on which originating state approval of the program or programs involved can have occurred. No contract made pursuant to this agreement shall require acceptance by a receiving State of any persons qualified because of successful completion of a program prior to January 1, 1954.

(5) The certification or other acceptance of a person who has been accepted pursuant to the terms of a contract shall not be revoked or otherwise impaired because the contract has expired or been terminated. However, any certificate or other qualifying document may be revoked or suspended on any ground which would be sufficient for revocation or suspension of a certificate or other qualifying document initially granted or approved in the receiving State.

(6) A contract committee composed of the designated state officials of the contracting States or their representatives shall keep the contract under continuous review, study means of improving its administration, and report no less frequently than once a year to the heads of the appropriate education agencies of the contracting States.

ARTICLE IV. APPROVED AND ACCEPTED PROGRAMS

(1) Nothing in this Agreement should be construed to repeal or otherwise modify any law or regulation of a party State relating to the approval of programs of educational preparation having effect solely on the qualification of educational personnel within that state.

(2) To the extent that contracts made pursuant to this Agreement deal with the educational requirements for the proper qualification of educational personnel, acceptance of a program of educational preparation shall be in accordance with such procedures and requirements as may be provided in the applicable contract.

ARTICLE V. INTERSTATE COOPERATION

The party States agree that:

(1) They will, so far as practicable, prefer the making of multilateral contracts pursuant to Article III of this Agreement.

(2) They will facilitate and strengthen cooperation in interstate certification and other elements of educational personnel qualification and for this purpose shall cooperate with agencies, organizations, and associations interested in certification and other elements of educational personnel qualification.

ARTICLE VI. AGREEMENT EVALUATION

The designated state officials of any party State may meet from time to time as a group to evaluate progress under the Agreement, and to formulate recommendation for changes.

ARTICLE VII. OTHER ARRANGEMENTS

Nothing in this Agreement shall be construed to prevent or inhibit other arrangements or practices of any party State or States to facilitate the interchange of educational personnel.

ARTICLE VIII. EFFECT AND WITHDRAWAL

(1) This Agreement shall become effective when enacted into law by two States. Thereafter it shall become effective as to any State upon its enactment of this Agreement.

(2) Any party State may withdraw from this Agreement by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after the Governor of the withdrawing State has given notice in writing of the withdrawal to the Governors of all other party States.

(3) No withdrawal shall relieve the withdrawing State of any obligation imposed upon it by a contract to which it is a party. The duration of contracts and the methods and conditions of withdrawal therefrom shall be those specified in their terms.

ARTICLE IX. CONSTRUCTION AND SEVERABILITY

This Agreement shall be liberally construed so as to effectuate the purposes thereof. The provisions of this Agreement shall be severable and if any phrase, clause, sentence, or provision of this Agreement is declared to be contrary to the constitution of any state or of the United States, or the application theerof to any Government, agency, person, or circumstance is held invalid, the validity of the remainder of this Agreement and the applicability thereof to any Government, agency, person, or circumstance shall not be affected thereby. If this Agreement shall be held contrary to the constitution of any State participating therein, the Agreement shall remain in full force and effect as to the State affected as to all severable matters.

Section 2. A new section of Chapter 161 of the Kentucky Revised Statutes is created to read as follows:

The "designated State official" for this State shall be the Superintendent of Public Instruction. The Superintendent of Public Instruction shall enter into contracts pursuant to Article

III of the Agreement only with the approval of the specific text thereof by the State Board of Education.

Section 3. A new section of Chapter 161 of the Kentucky Revised Statutes is created to read as follows:

True copies of all contracts made on behalf of this State pursuant to the Agreement shall be kept on file in the office of the Superintendent of Public Instruction and in the office of the Secretary of State. The Superintendent of Public Instruction shall publish all such contracts in convenient form.

SB 21, AN ACT relating to community colleges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 164.591 of the Kentucky Revised Statutes is amended to read as follows:

A community college shall be maintained in each of the following locations: Ashland, Carrollton, [Covington,] Cumberland, Elizabethtown, Glasgow, Henderson, Hopkinsville, Madisonville, Prestonsburg, Somerset, Blackey-Hazard, Jefferson County and Mason County.

Section 2. A new section of Chapter 164 of the Kentucky Revised Statutes is created to read as follows:

Upon prior concurrence of the Board of Trustees of the University of Kentucky and the Board of Regents of the Northern Kentucky State College, the Northern Community College shall be operated by the Board of Regents of the Northern Kentucky State College and shall no longer be considered part of the University of Kentucky Community College System. The Board of Regents of the Northern Kentucky State College shall provide programs of a community college nature at Northern Community College comparable to those listed for the University of Kentucky Community College System, as provided in this chapter.

Section 3. A new section of Chapter 164 of the Kentucky Revised Statutes is created to read as follows:

All property of the Northern Community College and all property and educational equipment of the University of Ken-

tucky designated for use by the Northern Community College shall become the property of the Northern Kentucky State College. Any funds accruing to the Northern Community College not previously expended while operated by the University of Kentucky as the result of any contract or agreement with any agency or instrumentality of the United States Government, the Commonwealth of Kentucky or local units of government shall be transferred to the Northern Kentucky State College.

The Committee Amendment to **SB 21** is as follows:

Amend printed copy of Senate Bill 21 on page 1, line 12, by:

and on Page 2, line 5, 10 and 14 by changing: "Northern Community College"
to read:

"Northern Community College at Covington"

The Committee on Judiciary reported **HB 36, HB 82, HB 90, HB 99, HB 129, HB 139, HB 159** and **HB 183** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 36, AN ACT relating to conveyances.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 382.335 of the Kentucky Revised Statutes is amended to read as follows:

(1) No county clerk shall receive or permit the recording of any instrument by which the title to real estate or personal property, or any interest therein or lien thereon, is conveyed, granted, encumbered, assigned or otherwise disposed of; nor receive any instrument or permit any instrument, provided by law, to be recorded as evidence of title to real estate; and shall not receive or permit any instrument, relating to the organization or dissolution of a private corporation, unless such instrument has endorsed on it, a printed, type-written or stamped statement showing the name and address of the individual who prepared the instrument, and such statement is signed by such individual. [(2)] This *sub*section shall not apply to any instrument executed or acknowledged prior to July 1, 1962.

(2) No county clerk shall receive or permit the recording of any instrument by which the title to real estate or any interest therein is conveyed, granted, assigned or otherwise disposed of unless such instrument contains the mailing address of the grantee or assignee. This subsection shall not apply to any instrument executed or acknowledged prior to July 1, 1970.

HB 82, AN ACT relating to pay of jurors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 29.390 is amended to read:

(1) Grand jurors and petit jurors in circuit court shall each be paid five dollars per day for jury service. Persons whose names are on the jury list for jury service in circuit court, or are summoned under KRS 29.280 to supply a deficiency, who appear in person in court in response to summons[, who reside outside the corporate limits of the city in which the court sits,] and who do not claim exemption or ask to be relieved from jury service, shall receive five dollars per day for each day they are required to be and are in attendance, even though they are not sworn or accepted for jury service.

(2) When kept together overnight in custody of the sheriff, petit jurors shall receive five dollars additional for each night they are kept together.

(3) In courts inferior to the circuit court, except in counties containing a city of the second class, each juror shall be paid one dollar and fifty cents for each case in which he serves, but if the same juror serves on more than two juries in one day he shall not be allowed a fee for the cases in excess of two.

(4) In courts inferior to the circuit court, in counties containing a city of the second class, each juror shall be paid one dollar and fifty cents for each case in which he serves, but if the same juror serves on more than two juries in one day he shall not be allowed a fee for the cases in excess of two.

HB 90, AN ACT relating to judicial sales.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 426.700 of the Kentucky Revised Statutes is amended to read as follows:

Every sale made under an order of court must be public, *either for cash or* upon reasonable credits to be fixed by the court [, not less, however, than three months for personal, nor six months for real property]; and shall be made after such notice of the time, place and terms of sale as the order may direct; and, unless the order direct otherwise, shall be made at the door of the courthouse of the county in which the property, or the greater part thereof, may be situated; and the notice of sale must state for what sum of money it is to be made.

HB 99, AN ACT relating to recording of orders and judgments in the county court.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 25.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county judge shall cause the clerk to enter all orders and judgments of the county court upon a record book. The records shall show the day on which court was held, and by whom, and shall be signed by the judge or judge pro tem or special judge who presided when the record was made. If the regular judge fails to sign the records, they may be signed by his successor; if the judge pro tem or special judge fails to sign the records made by him, they may be signed by the regular judge.

(2) Notwithstanding the provision in subsection (1) requiring the judge, judge pro tem or special judge to sign the order book, all orders and judgments lodged for record with the court, said orders or judgments shall become effective when signed by the judge (pro tem or special) with the time and date of filing noted thereon by the clerk.

HB 129, AN ACT relating to fees and costs in police courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 26.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) No fees, except fees for recording bonds as provided by KRS 26.560, shall be received by any officer of the police court in cities of the first class, and no costs shall be taxed against any person tried by the court.

(2) The police court in cities of the second class may assess, in addition to fine or imprisonment, any sum in its discretion, not exceeding *ten* [three] dollars, as costs against any defendant convicted in the court, and may enforce its payment by imprisonment in the jail or workhouse, as in the case of fines. No judgment for costs shall be rendered in favor of the city for a greater amount than the fine, unless the police judge is of the opinion that a judgment for full costs should be rendered, and so certifies on the record.

(3) In prosecutions in and appeals from the police court in cities of the third class, the city shall not be liable for costs unless they are collected in money and paid into the city treasury. The judge shall tax as costs for his services the same fees allowed to justices in penal cases.

(4) Fees and costs shall be taxed in the police court in cities of the fourth class to the same extent and in the same way as in courts having similar jurisdiction, except that in trials under city ordinances, the judge's costs shall be taxed as follows: If a jury is used, two dollars, and if a jury is not used, one dollar.

HB 139, AN ACT relating to mental health.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 202.139 of the Kentucky Revised Statutes is amended to read as follows:

(1) Where possible, the physicians selected by the court to perform examinations as described in KRS Chs. 202, 230 or 210 shall have made a special study of mental deficiency and mental disease. The examiners shall be entitled to a fee of ten dollars each for such examination and certification, to be paid by the *defendant except that where the defendant is indigent the fees provided herein shall be paid by the* county in which the petition

is filed, upon a certified copy of an order of allowance made by the court holding the hearing.

(2) Where the procedure involves hospitalization of a person alleged to be mentally retarded two physicians or one physician and one certified clinical psychologist licensed under the provisions of KRS Ch. 319 may examine the defendant and certify to the court as to whether they find the defendant to be mentally retarded.

Section 2. Section 203.505 of the Kentucky Revised Statutes is amended to read as follows:

In each restoration proceeding the court shall appoint a member of the bar to represent and protect the interest of the patient and said attorney shall be entitled to a fee of ten dollars for his services to be paid by the *patient, except that where the patient is indigent, the fee provided herein shall be paid by the* county in which the restoration proceeding is held, upon a certified copy of an order of allowance made by the court holding the proceeding.

HB 159, AN ACT relating to debts and debtors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be Chapter 380 of the Kentucky Revised Statutes.

Section 2. A new section of Chapter 380 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, the following terms mean:

(1) "Debt adjuster," a person who acts or offers to act for a consideration as an intermediary between a debtor and his creditors for the purpose of settling, compounding, or in anywise altering the terms of payment of any debts of the debtor; and to that end, receives money or other property from the debtor, or on behalf of the debtor, for payment to, or distribution among, the creditors of the debtor.

(2) "Debtor," an individual or individuals jointly and severally, or jointly or severally indebted.

Section 3. A new section of Chapter 380 of the Kentucky Revised Statutes is created to read as follows:

Any person who acts or offers to act as a debt adjuster in the state is guilty of a misdemeanor and upon conviction shall be punished by a fine of $500 or imprisonment not to exceed sixty days, or both such fine and imprisonment.

Section 4. A new section of Chapter 380 of the Kentucky Revised Statutes is created to read as follows:

The circuit court shall have power, in an action brought in the name of the Commonwealth by the Attorney General, or the Commonwealth's attorney, to enjoin any person from acting or offering to act as a debt adjuster; and, in the action, may appoint a receiver for the property and money employed in the transaction of business by the person as a debt adjuster, to insure, so far as may be possible, the return to debtors of so much of their money and property as has been received by the debt adjuster, and has not been paid to the crditors of the debtors.

Section 5. A new section of Chapter 380 of the Kentucky Revised Statutes is created to read as follows:

The following persons shall not be considered debt adjusters for the purposes of this Act:

(1) Any attorney at law of this state;

(2) Any person who is a regular, full-time employe of a debtor, and who acts, as an adjuster of his employer's debts;

(3) Any person acting pursuant to any order or judgment of court, or pursuant to authority conferred by any law of this state or of the United States;

(4) Any person who is a creditor of the debtor, or an agent of one or more creditors of the debtor, and whose services in adjusting the debtor's debts are rendered without cost to the debtor; and

(5) Any person who, at the request of a debtor, arranges for or makes a loan to the debtor, and who, at the authorization of the debtor, acts as an adjuster of the debtor's debts in the disbursement of the proceeds of the loan, without compensation for the services rendered in adjusting the debts.

HB 183, AN ACT relating to personal representatives.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 395.005 of the Kentucky Revised Statutes is amended to read as follows:

The following persons may be appointed as fiduciary:

(1) Any resident of the State of Kentucky, including married women, over eighteen years of age, and any national bank located in Kentucky having fiduciary powers and any state bank or trust company incorporated under the laws of the State of Kentucky and authorized by law to act as [such therein may be appointed as] fiduciary.

(2) Any nonresident of legal age who is:

(a) The spouse of the decedent;

(b) Related to the decedent by consanguinity;

(c) The spouse of a person related to the decedent by consanguinity;

(d) The father, mother, brother or sister of the spouse of decedent; or

(e) The legally adopted child or adoptive parent of decedent.

Section 2. Section 395.015 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before being appointed as executor, administrator, curator, or administrator with the will annexed, every person shall make and file in duplicate a written application under oath, which must state the names of the deceased's surviving spouse and all of his heirs at law or such as are known, their postoffice address if known, the date of death and also a statement in general terms as to what the estate consists of and the probable value of the personal and real estate and also a statement of any indebtedness owing by the applicant to the deceased. *The application of a nonresident shall include the designation of a resident of the county where administration is pending as his agent for the service of process in any action against him as personal representative or personally, provided that such personal action must have accrued in the administration of the estate.* A dup-

licate copy of said application shall be mailed by the clerk to the Commissioner of Revenue of the State of Kentucky.

(2) In case of intestacy, if there be no surviving spouse, or if such spouse waives the right of appointment or is not qualified to act and does not nominate a suitable administrator and there is more than one [resident] heir at law entitled to appointment, the court shall thereupon appoint a time for hearing such application. Notice of said hearing shall be given to the surviving spouse and all known heirs of the deceased [residing in the state], in the manner provided in KRS 395.016.

(3) A fee of five dollars shall be allowed the court for its appointment of an administrator or curator.

The Committee on Counties and Special Districts reported **HB 109** with the expression of opinion that the same should not pass.

The Committee on Cities reported **HB 83, HB 106** and **HB 130** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 83, AN ACT relating to fire departments in cities of the third class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS 95.430 to 95.620 is created to read as follows:

(1) The fire departments in each of the third-class cities shall be divided into three platoons. Each platoon shall be on duty for twenty-four consecutive hours, after which the platoon serving twenty-four hours shall be off duty for forty-eight consecutive hours, except in cases of emergency.

(2) The chief of the fire department shall arrange the schedule of working hours to comply with the provisions of this section and the pay, rank or benefits of the members and officers of the fire department shall not be reduced as a result of this section.

HB 106, AN ACT relating to fire fighters of cities of the second class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS 95.430 to 95.620 is created to read as follows:

That in each city of the second class all employes of the fire department shall be given not less than ten twenty-four hour vacation days annually with full pay. The pay, rank, or benefits, of the members and officers of the fire department shall not be reduced as a result of this section.

HB 130, AN ACT relating to city civil service.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 90.350 of the Kentucky Revised Statutes is amended to read as follows:

(1) The appointing authority shall make all civil service appointments, and the appointments shall be made only from the lists of applicants certified to him by the civil service commission after examination. Appointments shall be made only by the selection of one of the three holding the highest averages in the particular class and grade wherein the vacancy exists, except as provided in subsection (6) of this section.

(2) Whenever it is imperative to fill a vacancy in classified civil service before the commission can certify a list of as many as three persons eligible for appointment after competitive examination, the appointing authority shall nominate a competent person from the same class or next lower rank to the commission for noncompetitive examination, and if certified by the commission as qualified after the noncompetitive examination he may be appointed provisionally to fill the vacancy until an appointment can be made after competitive examination. This provisional appointment shall continue only until a regular appointment can be made from the eligible list prepared by the commission, which eligible list shall be prepared within thirty days after a vacancy occurs in cities of the second class, or within ninety days after vacancy in cities of the third class.

(3) In case of great emergency and when no one upon the eligible list or by promotion from a lower rank is available, an appointment may be made by the appointing authority without examination, but in no case shall such appointment continue longer than thirty days in cities of the second class, or sixty days in cities of the third class, and in no case shall successive appointments be made of the same person, or other persons, to such vacancy.

(4) Temporary appointments made necessary by reason of illness or disability of regular employes shall continue only during such period of disability.

(5) The death of an employe shall not authorize an appointment without examination in cities of the second class.

(6) Whenever, from any cause, there shall be a vacancy in any of the classified services, the employe in said classification ranking next highest in seniority, if he chooses, shall succeed to and fill said vacancy, unless upon charges made *within thirty days* by the city that said employe is not qualified to fill said vacancy, and after notice and upon trial to determine his qualifications in the same manner as is now required for the dismissal, suspension or reduction in grade or pay of an employe, it be established by the city that said employe has not the necessary qualifications to enable him to discharge the duties of the office or position in which the said vacancy occurs. Provided that in case of a vacancy in the classified service, where peculiar and exceptional qualifications of a particular professional or educational character are required, upon satisfactory evidence that for reasons stated in writing by the appointing authority, competitive examination in such case has failed to provide an eligible list; the commission may suspend the provisions requiring competitive examination under civil service.

(7) Where the service to be rendered by an appointee in the classified service is for a temporary period not to exceed thirty days in cities of the second class, or sixty days in cities of the third class, and the need of such service is imperative, the appointing authority may select for that temporary service any person on the list of those eligible for permanent appointment. Successive temporary appointments to the same position shall not be made under this provision. The acceptance or refusal

by an eligible applicant of a temporary appointment shall not affect his standing on the register for permanent employment, nor shall temporary service be counted as part of the probationary service in case of subsequent appointment to a permanent position.

(8) No person shall be certified by the commission from an eligible list more than four times to the same appointing authority for the same or similar position.

The Speaker resumed the Chair.

Calendar

HB 64, HB 102, HB 212, HJR 16 and **SB 18** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Senate Message

Announcing passage of **SB 65, SB 100** and **SB 109.**

Motions, Petitions and Communications

Representative Ruh moved that when the House adjourns today, it do so in memory of Governor William Goebel. Agreed.

Representative Wright read the following Election Contest Committee Report:

Your committee drawn by lot during the session of January 6, 1970, and consisting of Representative Graves, Representative Davis, Representative West, Representative Blandford and Representative Wright, the purpose of which was to hear evidence in the contest proceedings of Vernon Holbrook against Charles Wheeler;

We beg leave to report that we unanimously recommend from the evidence before us that *Charles Wheeler* was legally

elected by a majority of the votes cast in the election between him and *Vernon Holbrook* for the office of Representative from the 100th District.

We further find that at the time said election was held, from the evidence before us, that said *Charles Wheeler* was eligible to hold said office of State Representative.

All of which is respectfully submitted.

Dexter S. Wright, Chairman
Ralph Graves, Secretary
Donald J. Blandford, Member
Howard West, Member
James A. Davis, Member

Regarding Recommendation of Special Contest Committee drawn by lot to hear contest of election held November 4, 1969 in the 100th House District in Boyd County, Kentucky; i.e. Vernon D. Holbrook vs Charles D. Wheeler:

After careful study of all testimony (both written and oral) the five-member committee unanimously concluded that the contestant, Vernon D. Holbrook, has failed to offer sufficient proof substantiating allegations in his official "Notice of Contest of Election" as filed with the Clerk of the House of Representatives on November 26, 1969; to wit:

That allegation No. I is a statement of fact only and offers no reason to question the election result.

That allegation No. II, also a statement of fact, presents no question requiring an answer to the charges set forth by Mr. Holbrook.

That allegation No. III, paragraph one, continues in the same pattern as the above stated. Regarding the remainder of allegation No. III concerning Ginn Precinct, we found that contestant has challenged twenty-five (25) persons who voted in that precinct, and brought positive proof on six (6) of those voters to show that they were not eligible to vote in Ginn Precinct on November 4, 1969.

Said contestant further fails to show proof:

(1) that Charles Layne did perform any unlawful act at Ginn Precinct on November 4, 1969;

(2) that Republican precinct workers in any way usurped the vested rights of Democrat precinct workers;

(3) that Mrs. F. L. Allen, Republican election worker, made any statements concerning telephone calls to persons who had not voted;

(4) that Democrat workers were made to believe Mrs. Allen would require them to leave the polling place should they not conduct the election as Mrs. Allen wished;

(5) that the voting machine in Ginn Precinct became "inoperative," although evidence was given that the machine became difficult to operate and was adjusted by an authorized person;

(6) that the public counter total showed a difference of two (2) votes when compared to the names on the comparative signature book;

Contestant does show (as charged in No. III, Section 7) that Charles Layne was a frequent visitor in the Ginn Precinct polling place, but fails to prove any wrong-doing on the part of Mr. Layne. Testimony taken by deposition from a precinct worker of Mr. Holbrook's political party refutes the contestant's allegations in No. III, Section 8, and clears Mrs. Allen of any wrong-doing as alleged in Section 9.

This committee can find no reason to support contestant's charge of gross impropriety at Ginn Precinct, nor does the proof that six (6) votes were cast illegally give reason to cause disenfranchisement of the other 193 votes cast in said election at that precinct.

Although contestant brings proof that a total of seven (7) other voters cast ballots contrary to election laws in at least two additional precincts, the number of illegally cast votes totaled only 13 according to proof offered this committee and represented only a small and inconsequential percentage of the 7,893 votes cast in contest. Evidence offered by contestant further shows only (4) four illegal votes to be cast for Mr. Wheeler;

whereas, his allegations contain the names of 86 or 87 persons alleged to have voted illegally. The committee must therefore, as required by statute, charge the remaining illegal votes to the contestant. Whether the total to be charged against Mr. Holbrook be 82 or 83 is difficult to decide because one name appears in two places in contestant's "Notice of Contest." In either case, the total is of no great importance when applied to the decision of this committee.

Sworn testimony by Alvin Rice, Boyd County Court Clerk, presented the committee by deposition verifies contestant's allegation No. V that certain seals required by law were not attached to the voting machine used in Avondale Precinct 44 when the machine was first examined by Mr. Rice before a recanvass by the Election Commissioners of Boyd County. Contestant offers no proof, however, either through Clerk Rice's testimony, or otherwise, that the machine had been tampered with either before, during or after the election.

Testimony by Mr. Rice reveals that allegation No. VI is also true in that many precinct officials failed to complete the tally sheet returns. Mr. Rice further stated, however, that the practice is not uncommon in Boyd County and no evidence is offered to show how the stated omissions could alter the outcome of the election being contested by Mr. Holbrook.

This committee neither heard nor read any testimony that supports contestant's allegations Nos. VII, VIII, IX and X.

IN SUMMATION, this committee fails to find sufficient proof that would allow it to declare void the vote cast in Ginn Precinct, Boyd County, Kentucky, or any other precinct in the 100th House District in the election held on November 4, 1969, and therefore rejects the pleadings of Vernon D. Holbrook as insufficient to constitute a legal contest.

The evidence and testimony in this case does not cast any reflection on the character of either party.

Dexter S. Wright, Chairman
Ralph Graves, Member
Donald J. Blandford, Member
Howard West, Member
James A. Davis, Member

Representative Wright moved the adoption of the Election Contest Committee Report. Agreed.

Orders of the Day

Representative McBrayer moved that consideration of **HB 67** and **HB 25** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 35 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 97—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 35 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 35** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 80 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 86—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Archie Brown, Edward

G. Brown, Hershel Brown, Bruce, Carroll, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Wible, Wright, Wyatt, Yocom. Nays 6—Blythe, Freeman, Holloway, Pollitte, Stuart, J. White.

HB 80 was passed and the title agreed to.

Representative Swinford moved that the vote by which **HB 80** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 27 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative McBrayer moved the adoption of **HR 27.** Agreed.

HR 27, A RESOLUTION authorizing and directing the Legislative Research Commission to conduct a study on the desirability of combining county and city governments in the counties which are presently considered most urban in character and those considered most rural in character.

WHEREAS, the duplication of services provided by city and county governments results in obvious waste of money, time and effort; and

WHEREAS, greater efficiency in the provision of services would appear to be concomitant with economy of use of taxpayers' money, in the event of a merger of county and city governments in some counties; and

WHEREAS, any change in the present structure of city or county government is a matter of grave concern requiring thoughtful analysis and careful consideration, based on the broad foundation of enlightened study;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

1. That the Legislative Research Commission be and it hereby is authorized and directed to conduct a study of the desirability of combining county and city governments in the counties which are presently considered most urban in character and those which are considered most rural in character;

2. That the Legislative Research Commission utilize all resources at its command, including information available from other departments of Kentucky government and from other states to determine possible benefits of a merger; and

3. That the Legislative Research Commission report its findings and recommendations to the 1972 General Assembly.

HR 29 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative McBrayer moved the adoption of **HR 29.** Agreed.

HR 29, A RESOLUTION saluting Centre College.

WHEREAS, Centre College has just completed one hundred and fifty years of existence as one of the leading educational institutions in this state and nation; and

WHEREAS, this estimable institution has produced many outstanding public leaders including leading members of both Houses of this Assembly; and

WHEREAS, President Thomas A. Spragens and the Centre College Board of Trustees have admirably maintained the best of the traditions of the past while instituting programs which incorporate the finest educational innovations;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

The Kentucky General Assembly salutes Centre College of Kentucky for one hundred and fifty years of outstanding educa-

tional efforts in the Commonwealth and wishes her continued success.

Representative McBrayer moved that consideration of **HR 30** be deferred and that it retain its position in Orders of the Day. Agreed.

HR 33 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative McBrayer moved the adoption of **HR 33.** Agreed.

HR 33, A RESOLUTION directing a study of the needs of older persons in Kentucky.

WHEREAS, there are in Kentucky some 325,000 to 340,000 persons 65 years of age or older; and

WHEREAS, by virtue of age and economic status many of these persons have special unmet needs; and

WHEREAS, there is presently no one agency in the Commonwealth charged with the responsibility of evaluating these needs; and

WHEREAS, the extent of the problems and needs of older persons are not adequately known;

NOW, THEREFORE

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That a special committee be set up in the Legislative Research Commission to study and survey the needs of older persons in Kentucky.

Section 2. That the committee investigate the desirability and feasibility of setting up a State Department or Division of Geriatrics and report its findings to the 1972 regular session of the General Assembly.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Cities: **HB 21, HB 137, HB 153, HB 178.** (Room 401, February 4, 1970, 11:00 a.m.)

Banking and Insurance: **HB 276, HB 199.** (Room 402, February 2, 1970, 9:30 a.m.)

Business Organizations and professions: **HB 189, HB 215.** (Room 402, February 4, 1970, 11:00 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Business Organizations and Professions: **HB 63.**

Representative Pollitte requested that his vote on the passage of **HB 80** be changed from "nay" to "yea". Agreed.

Representative Huff moved that the rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 324, by Representatives Huff and DeMarcus: AN ACT relating to alcoholic and malt beverage licenses.

HB 325, by Representative Huff: AN ACT relating to license fees for logging trucks.

HB 326, by Representatives Huff and DeMarcus: AN ACT relating to alcoholic and malt beverages.

HB 327, by Representatives Blume, Conn, Kleier, Hughes, Priddy, Nett, Miller, Wyatt, Siemens and Ray: AN ACT relating to the promotion of tourist and convention business.

HB 328, by Representative Lindsay: AN ACT relating to administration of estates.

HB 329, by Representative Wyatt: AN ACT relating to public improvements in first class cities.

HB 330, by Representatives Siemens, Murphy, Yocom and Priddy: AN ACT relating to high voltage line safety practices.

HB 331, by Representatives Wheeler and Curlin: AN ACT relating to police judge retirement pensions.

HB 332, by Representatives Lindsay and Carroll: AN ACT relating to sales and use tax.

Representative McBrayer moved that the House adjourn until 3:00 p.m., Monday, February 2, 1970. Agreed.

MONDAY, FEBRUARY 2, 1970

TWENTY-SECOND LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Herman M. Bowers, First Baptist Church, Frankfort.

The roll was called. All present except Representatives Bartley, Bleemel, McGill, Rattliff, W. J. Reynolds, and Sharpe.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of January 29, 1970 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 333, by Representatives McBrayer, Blume, Prather and Carroll: AN ACT relating to the taxation of distilled spirits.

HB 334, by Representatives DeMarcus, W. Davis, H. Brown, Huff, Collins, Simmons and West: AN ACT relating to unemployment insurance.

HB 335, by Representatives DeMarcus, W. Davis, H. Brown, Huff, Collins, Simmons, West and Floyd: AN ACT relating to unemployment insurance.

HB 336, by Representatives DeMarcus, W. Davis, H. Brown, Huff, Collins, Simmons, West and Floyd: AN ACT relating to penalties for false statements regarding the medical assistance program of the Commonwealth of Kentucky.

HB 337, by Representatives DeMarcus, Collins, Floyd, Simmons and H. Brown: AN ACT relating to boiler safety.

HB 338, by Representatives DeMarcus, Floyd, W. Davis, H. Brown, Collins, Simmons and West: AN ACT relating to the Executive Branch of State Government.

HB 339, by Representatives DeMarcus, Collins, Simmons, H. Brown, Floyd and West: AN ACT appropriating money out of the General Expenditure Fund in the State Treasury for the purpose of paying certain claims which have been duly audited and approved according to law but which have not been paid because of lapsing or insufficiency of former appropriations against which said claims were chargeable.

HB 340, by Representatives DeMarcus, Simmons, Collins, H. Brown, Huff, Wright, A. Brown, Durham, Schmidt, Floyd, W. Davis and West: AN ACT relating to revenue and taxation.

HB 341, by Representatives Huff and DeMarcus: AN ACT relating to alcoholic and malt beverages.

HB 342, by Representatives DeMarcus and Huff: AN ACT relating to alcoholic beverages.

HB 343, by Represenatives DeMarcus, W. Davis, H. Brown, Huff, Collins, Simmons, West and Floyd: AN ACT relating to the Department of Economic Security.

HB 344, by Representatives DeMarcus, Floyd, W. Davis, H. Brown, Collins, Simmons and West: AN ACT relating to voluntary legitimation by the putative father of a child born out of wedlock.

HB 345, by Representatives DeMarcus, W. Davis, H. Brown, Huff, Collins, Simmons, West and Floyd: AN ACT relating to the organization and administration of the Bureau of Employment Security in the Department of Economic Security.

HB 346, by Representative Wyatt: AN ACT relating to appropriations for vocational education program operation and construction of four vocational additions.

HB 347, by Representative Rickert: AN ACT relating to consumer affairs.

HB 348, by Representative Swinford: AN ACT relating to education and the financing thereof.

HB 349, by Representatives Schmidt, Murphy, Donnermeyer, Ruh, Mershon and Isler: AN ACT relating to alcoholic beverages.

HR 35, by Representative McBrayer: A RESOLUTION

directing the Legislative Research Commission to study the system of tax credits, refunds and rebates proposed by House Bill 43.

HR 36, by Representatives Graves, Salyers, Freeman, Wright, Clapp, Carter and Wible: A RESOLUTION requesting that the Superintendent of Public Instruction and the State Board of Education remove the period of January 6 through 16, 1970, from the operation of the provisions of KRS 158.070.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 311.**

Appropriations and Revenue: **HB 310, HB 312, HB 313, HB 315, HB 316, HB 317, HB 324, HB 325, HB 326, HB 328, HB 332, HR 34.**

Banking and Insurance: **SB 65.**

Business Organizations and Professions: **HB 314.**

Cities: **HB 320, HB 321, HB 327, HB 329.**

Counties and Special Districts: **HB 319.**

Health and Welfare: **HB 323.**

Judiciary: **HB 331, SB 100, SB 109.**

Labor and Industry: **HB 318.**

Public Utilities and Transportation: **HB 322, HB 330.**

Report of Committees

The Committee on Rules reported **HB 212** and **HJR 16** have been posted for passage in Orders of the Day, February 3, 1970.

Calendar

HB 36, HB 74, HB 82, HB 83, HB 90, HB 99, HB 106, HB 129, HB 130, HB 139, HB 159, HB 183, HB 201, SB 21, SB 42

and **SB 44** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

HR 37, by Representative Blume: A RESOLUTION honoring the League of Women Voters.

HR 37 was referred to the Committee on Rules.

Orders of the Day

Representative McBrayer moved that **HB 67** be recommitted to the Committee on Labor and Industry. Agreed.

Representative McBrayer moved that consideration of **HB 25,** with Committee amendment attached thereto, be deferred and that it retain its position in Orders of the Day. Agreed.

HR 30 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative Conn moved the adoption of **HR 30.** Agreed.

HR 30, A RESOLUTION directing a study of the feasibility of establishing a family court system for Kentucky.

WHEREAS, the courts of this Commonwealth which now have jurisdiction over problems of the family unit are diverse and overlap; and

WHEREAS, divorce, support, custody, termination of parental rights, and juvenile delinquency are problems interrelated, yet separately examined in Kentucky courts; and

WHEREAS, the most economic and efficient method of dealing with this problem is the creation of a family court system; and

WHEREAS, the general Assembly finds that these procedures should be studied in depth prior to any such legislation;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Legislative Research Commission is directed to study the feasibility and practicality of establishing a family court system in Kentucky, and to report its findings to the 1972 Regular Session of the General Assembly.

HB 32 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 84—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Siemens, Simmons, Stuart, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 0.

HB 32 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 32** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 55 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 86—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney,

John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 1—King.

HB 55 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 55** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 111 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 90 — Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 111 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 111** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Appropriations and Revenue: **SB 4, HB 18, HJR 28.** (Room 327, February 3, 1970, 10:00 a.m.)

Cities: **HB 300, HB 329.** (Room 401, February 5, 1970, 11:00 a.m.)

Labor and Industry: **HB 6, HB 91, HB 177, HB 225, HB 297.** (Room 401, February 3, 1970, 9:30 a.m.)

Health and Welfare: **HB 114.** (Room 401, February 4, 1970, 10:00 a.m.)

Recess

Representative McBrayer moved that the House recess for a meeting of the Committee on Committees. Agreed.

The Speaker resumed the Chair.

Representative McBrayer moved that the rules be suspended for Reference of Bills and Resolutions. Agreed.

Reference of Bills and Resolutions

The Committee on Committees has referred the following bill:

Appropriations and Revenue: **HB 333.**

Announcements (Continued)

The Clerk announced the following bill was posted for consideration:

Appropriations and Revenue: **HB 333.** (Room 327, February 3, 1970, 10:00 a.m.)

Representative McBrayer moved that the House adjourn until 1:00 p.m., Tuesday, February 3, 1970.

On the roll call the vote was yeas 71—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Dorris, Durham, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Lewis, Lindsay, Lovins, McBrayer, McBride, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Reed, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Wible, Wright, Wyatt, Yocom. Nays 2—Ray, Siemens.

The motion to adjourn was adopted.

TUESDAY, FEBRUARY 3, 1970

TWENTY-THIRD LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by the Reverend Herman M. Bowers, First Baptist Church, Frankfort.

The roll was called. All present except Representatives Haney, Knuckles, McGill and Rattliff.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 2, 1970 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 350, by Representatives Freeman and Graves: AN ACT relating to workmen's compensation.

HB 351, by Representative Mitchell: AN ACT relating to rural electric and rural telephone cooperative corporations.

HB 352, by Representative Mitchell: AN ACT relating to accident prevention in connection with training in vocational, industrial arts, and chemical-physical courses employing machines, machinery and general industrial laboratory equipment in the public school system.

HB 353, by Representative Ruh: AN ACT to require safety glazing in hazardous locations.

HB 354, by Representative Wible: AN ACT relating to pension fund for second class city employes.

HB 355, by Representative Yocom: AN ACT relating to narcotic drugs.

HB 356, by Representative Yocom: AN ACT relating to exceptional children.

HB 357, by Representatives Blandford and Kessinger: AN ACT relating to members of the railroad commission.

HB 358, by Representatives Blume and Conn: AN ACT relating to excise tax on cigarettes.

HB 359, by Representatives Arnett, Kessinger, Salyers, Allen and Head: AN ACT relating to workmen's compensation.

HB 360, by Representatives Paxton and Pollitte: AN ACT relating to foreign corporations engaged in lending money within this state and related activities thereto.

HB 361, by Representatives Pollitte, Paxton, Graves, Freeman, Collins, G. White, McCann, W. J. Reynolds, T. P. Reynolds and Salyers: AN ACT relating to the avoidance of contracts or sales resulting from unsolicited contacts.

HB 362, by Representative Carter: AN ACT relating to hunting and fishing licenses.

HJR 38, by Representatives Isler and Mershon: A JOINT RESOLUTION relating to the Chesapeake and Ohio Bridge at Covington.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 339, HB 340, HB 341, HB 346, HB 347, HB 348.**

Business Organizations and Professions: **HB 342, HB 349.**

Judiciary: **HB 336, HB 344.**

Labor and Industry: **HB 334, HB 335.**

State Government: **HB 337, HB 338, HB 343, HB 345.**

Rules: **HR 35, HR 36, HR 37.**

Report of Committees

The Committee on Banking and Insurance reported **HB 88**, with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

The Committee Amendment to **HB 88** is as follows:

Amend printed copy of House Bill 88 on pages 5 & 6, lines 12 to 28 and 1 to 6 respectively, by striking those lines

and on pages 6, 7, 9, and 10, by renumbering "Section 5.," "Section 6.," "Section 7." and "Section 8." as "Section 4.," "Section 5.," "Section 6." and "Section 7." respectively.

The Committee on Banking and Insurance reported **HB 276**, with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 276, AN ACT relating to investments permitted by fiduciaries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 386.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) Banks, trust companies, insurance companies, savings and loan associations, credit unions, executors, administrators, trustees or others acting in a fiduciary capacity, trust funds, and other financial institutions, originating mortgagee institutions, and other institutions approved as mortgagees and meeting otherwise the requirements of the Federal Housing Administration *or Veterans' Administration* to act as mortgagees under that agency's approval program, subject to the laws of this state, may:

(a) Make such loans and advances of credit and purchases of obligations representing loans and advances of credit as are eligible for credit insurance by the Federal Housing Administrator *or Administrator of Veterans' Affairs*, and may obtain such insurance;

(b) Make such loans secured by real property or lease-

hold, as the Federal Housing Administrator *or Administrator of Veterans' Affairs* insures or makes a commitment to insure, and may obtain such insurance;

(c) Invest their funds, eligible for investment, in notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator *or Administrator of Veterans' Affairs,* and in debentures issued by the Federal Housing Administrator *or Administrator of Veterans' Affairs,* and also in securities issued by National Mortgage Associations.

(2) This state and any of its political subdivisions, or any agency or instrumentality thereof may invest its funds and the monies in its custody or possession, eligible for investment, in notes or bonds described in paragraph (c) of subsection (1).

(3) No law of this state requiring security upon which loans or investments may be made, or prescribing the nature, amount or form of the security, or prescribing or limiting interest rates upon loans or investments, or limiting investments of capital or deposits, or prescribing or limiting the period for which loans or investments may be made, shall apply to loans or investments made pursuant to this section.

The Committee Amendment to **HB 276** is as follows:

Amend printed copy of House Bill 276 on page 2, line 24, by adding the following:

"Section 2. Whereas this Act will tend to facilitate the granting of loans for Veterans' housing, an emergency is declared to exist, and this act shall take effect upon its passage and approval by the Governor."

The Committee on Labor and Industry reported **HB 177, HB 225** and **HB 297** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 177, AN ACT relating to Sunday closing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 436.160 of the Kentucky Revised Statutes is repealed.

HB 225, AN ACT to repeal the Sunday closing law and to take the sense of the people thereon.

WHEREAS, the Sunday closing question is one of the most divisive issues to beset the Commonwealth in recent years; and

WHEREAS, the sense of the people needs to be ascertained in order that the General Assembly may know whether legislative action is appropriate; and

WHEREAS, the General Assembly has examined the provisions of the Constitution of Kentucky, including Sections 50 and 171 thereof, and finds that there are no constitutional prohibitions to taking the sense of the people on public questions;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 436.160 of the Kentucky Revised Statutes is repealed.

Section 2. At the 1970 general election, the following question shall be presented to the voters of the Commonwealth: "Are you in favor of the repeal of KRS 436.160, which relates to activities prohibited on Sunday?" The question shall be handled in all ways as proposed constitutional amendments are handled under KRS 118.170 and 118.430.

Section 3. If a majority of the votes cast on the question set forth in Section 2 of this Act are "yes," Section 1 of this Act shall become effective January 1, 1971; otherwise Section 1 of this Act shall be of no force or effect.

HB 297, AN ACT relating to retail sales on Sunday.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 436 of the Kentucky Revised Statutes is created to read as follows:

(1) Whoever engages on Sunday in the business of selling or sells or offers for sale on such day, at retail, motor vehicles; clothing and wearing apparel; clothing accessories; furniture;

housewares; home, business or office furnishings; household, business or office appliances; hardware; tools; paints; building and lumber supply materials; jewelry; silverware; watches; clocks; luggage; musical instruments and recordings or toys; excluding novelties and souvenirs; is guilty of a misdemeanor and shall upon conviction for the first offense be sentenced to pay a fine of not exceeding one hundred dollars, and for the second or any subsequent offense be sentenced to pay a fine of not exceeding two hundred dollars or undergo confinement not exceeding thirty days in the county jail in default thereof.

(2) Each separate sale or offer to sell shall constitute a separate offense.

(3) Complaints charging violations of this section shall be brought within five days after the commission of the alleged offense and not thereafter.

(4) The operation of any place of business where any goods, wares or merchandise are sold or exposed for sale in violation of this section is hereby declared to be a public and common nuisance.

Section 2. Section 436.160 of the Kentucky Revised Statutes is repealed.

The Committee on Elections and Constitutional Amendments reported **HB 147** and **HB 216** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 147, AN ACT proposing an amendment to Section 170 of the Constitution of Kentucky relating to property exempt from taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is proposed that Section 170 of the Constitution of Kentucky be amended to read as follows:

There shall be exempt from taxation public property used for public purposes; places actually used for religious worship, with the grounds attached thereto and used and appurtenant to the house of worship, not exceeding one-half acre in cities or

towns, and not exceeding two acres in the country; places of burial not held for private or corporate profit, institutions of purely public charity, and institutions of education not used or employed for gain by any person or corporation, and the income of which is devoted solely to the cause of education, public libraries, their endowments, and the income of such property as is used exclusively for their maintenance; all parsonages or residences owned by any religious society, and occupied as a home, and for no other purpose, by the minister of any religion, with not exceeding one-half acre of ground in towns and cities and two acres of ground in the country appurtenant thereto; household goods of a person used in his home; *a homestead, which is a single-unit residential property maintained by the owner, who is sixty-five years of age or older, as his personal residence, up to the assessed valuation of sixty-five hundred dollars on said residence and contiguous real property, except for assessment for special benefits;* crops grown in the year in which the asssesment is made, and in the hands of the producer; and all laws exempting or omitting property from taxation other than the property above mentioned shall be void. The General Assembly may authorize any incorporated city or town to exempt manufacturing establishments from municipal taxation, for a period not exceeding five years, as an inducement to their location.

Section 2. This amendment shall be submitted to the voters of the Commonwealth for their ratification or rejection at the time and in the manner provided for under Sections 256 and 257 of the Constitution and other Sections 118.170 and 118.430 of the Kentucky Revised Statutes.

HB 216, AN ACT creating a reapportionment commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS Chapter 6 is created to read:

The Kentucky Reapportionment Commission is hereby created to study the redistricting needs for the legislative and senatorial districts of the Commonwealth and to recommend to the Governor and to the Legislative Research Commission new

district lines after each federal decennial census. The commission's recommendations for redistricting shall conform to the results of the federal census so that the districts shall be as nearly equal in population as is practicable under the "one man one vote" principle as determined by the law of the land.

Section 2. A new section of KRS Chapter 6 is created to read:

(1) The commission shall consist of nine members, one from each of the Commonwealth's seven congressional districts and two from the state at large, to be appointed for terms of four years each by the Governor with the approval of the Legislative Research Commission. No more than five members of the commission shall be members of the same political party. No elected public officer shall be eligible for appointment to the commission.

(2) The commission members shall be appointed and approved on or before July 1, 1970, and on or before the first day of April of every tenth year thereafter.

(3) The commission shall elect from its members a chairman and a vice chairman.

(4) Commission members shall be compensated at the rate of twenty-five dollars per day for each day they meet, and may be reimbursed for actual and necessary expenses incurred in the performance of their official duties.

(5) Vacancies in the membership of the commission shall be filled for the unexpired term in the same manner as herein provided for appointment.

(6) The Director of the Legislative Research Commission shall make available staff assistance to the Reapportionment Commission immediately following its appointment.

Section 3. A new section of KRS Chapter 6 is created to read:

The commission shall meet within thirty days after the results of each federal decennial census are officially released, and shall submit its final recommendations for the redistricting of the Commonwealth's legislative and senatorial districts to the

Governor and to the Legislative Research Commission within ninety days after its first meeting.

Section 4. A new section of KRS Chapter 6 is created to read:

The Director of the Legislative Research Commission shall defray the expenses of the Reapportionment Commission from funds appropriated to the General Assembly: Legislative Sessions Account.

The Committee on State Government reported **HB 192** and **HB 208** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 192, AN ACT relating to unsolicited goods.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Unless otherwise agreed, where unsolicited goods are delivered to a person, he has a right to refuse to accept delivery of the goods and is not bound to return such goods to the sender. If such unsolicited goods are either addressed to or intended for the recipient, they shall be deemed a gift to the recipient, who may use them or dispose of them in any manner without any obligation.

HB 208, AN ACT relating to the Kentucky Code of Military Justice.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 35.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "National Guard" means the Kentucky Army National Guard and the Kentucky Air National Guard;

(2) "Active Militia" means a volunteer defense unit other than the National Guard;

(3) "Officer" means a commissioned officer including a warrant officer;

(4) *"Superior commissioned officer" means a commissioned officer superior in rank or command;* ["Superior officer" means an officer superior in rank or command;]

(5) "Enlisted person" means any person who is serving in an enlisted grade in any force of the National Guard or Active Militia;

(6) "Active state service" means fulltime military duty in the active service of the state under an order of the Governor as defined in subsection (4) of KRS 38.010, [;] *including travel to and from such duty;*

(7) "Military court" means a court-martial, a court of inquiry, a provost court, or a military commission;

(8) *"Military judge" means an official of general and special courts-martial* ["Law officer" means an official of a general court-martial] detailed in accordance with KRS 35.125;

(9) "Subject person" means person subject to this chapter;

(10) "Code" means this chapter.

(11) "Commissioned officer" includes a commissioned warrant officer;

(12) "Commanding officer" includes only commissioned officers;

(13) "Grade" means a step or degree in a graduated scale of office or military rank, that is established by law or regulation;

(14) "Rank" means order of precedence among members of the National Guard or Active Militia;

(15) "Duty status" includes active state duty and any other type of state military duty, including travel to and from such duty;

(16) "State judge advocate" means the commissioned officer responsible for supervising the administration of military justice in the National Guard or Active Militia;

(17) "Accuser" means a person who signs and swears to

charges, any person who directs that charges nominally be signed and sworn to by another, and any person who has an interest other than an official interest in the prosecution of the accused;

(18) "Military" refers to any or all of the armed forces;

(19) "Convening authority" includes, in addition to the person who convened the court, a commissioned officer commanding for the time being or a successor in command.

Section 2. Section 35.105 of the Kentucky Revised Statutes is amended to read as follows:

All persons belonging to the National Guard or Active Militia *and who are not in federal service under a call or order of the President of the United States* shall be subject to the provisions of this code.

Section 3. Section 35.020 of the Kentucky Revised Statutes is amended to read as follows:

[(1) Any person charged with having committed, while in a status in which he was subject to this code, an offense against this code for which the person cannot be tried in the courts of the state shall not be relieved from amenability to trial by courts-martial by reason of the termination of said status.]

(1) [(2)] All persons discharged from the National Guard or Active Militia subsequently charged with having fraudulently obtained said discharge shall be subject to trial by court-martial on said charge and, after apprehension, shall be subject to this code. Upon conviction of said charge they shall be subject to trial by court-martial for any offense under this code committed prior to the fraudulent discharge.

(2) [(3)] Any person who has deserted from the National Guard or Active Militia shall not be relieved from amenability to the jurisdiction of this code by virtue of a separation from any subsequent period of service.

(3) The fact that any person charged with an offense under this code is separated from the service while proceedings are pending or while undergoing sentence shall not affect the jurisdiction of any court-martial.

Section 4. Section 35.025 of the Kentucky Revised Statutes is amended to read as follows:

(1) *The Governor may dismiss any officer by a written order, but no such written order shall be made until sixty days after the Governor has served on the officer a detailed statement of the reasons for dismissal. No dismissal shall be made except for misconduct as defined in the punitive articles of this code. Any officer, dismissed by order of the Governor may within thirty days of notice thereof, make* [When any officer, dismissed by order of the Governor for absence without leave for a period of six months or more, makes] a written application for trial by court-martial, setting forth under oath that he has been wrongfully dismissed. [,] The Governor, as soon as practicable, shall convene a general court-martial to try *that* [such] officer on the charges on which he was dismissed. A court-martial so convened shall have jurisdiction to try the dismissed officer on such charges. *The court-martial may acquit the officer, adjudge the affirmance of the dismissal or, where appropriate, substitute a discharge for dismissal.* [, and he shall be deemed to have waived the right to plead any statute of limitations applicable to the offense with which he is charged. The court-martial may, as part of its sentence, adjudge the affirmance of the dismissal, but if the court-martial acquits the accused or if the sentence adjudged, as finally approved or affirmed, does not include dismissal, the Adjutant General shall substitute for the dismissal ordered by the Governor a form of discharge authorized for administrative issuance.]

(2) If the Governor fails to convene a general court-martial within *sixty days* [six months] from the presentation of an application for trial under this *code* [section], the *order of dismissal under sub. (1) is automatically rescinded.* [Adjutant General shall substitute for the dismissal ordered by the Governor a form of discharge authorized for administrative issuance.]

(3) *If* [Where] a discharge is substituted for a dismissal under *this code* [the authority of this section], the Governor alone may reappoint the officer to *the grade and* [such commissioned] rank *as that* [and precedence as in the opinion of the Governor such] former officer would have attained had he not been dismissed. The reappointment of such a former officer may

be made *only if a* [provided a position] vacancy is available under applicable tables of organization. All time between the dismissal and such reappointment shall be considered as *actual* service for all purposes.

(4) *If* [When] an officer is discharged [from the National Guard or Active Militia] by administrative action or *by board proceedings under law or* is dropped from the rolls by order of the Governor, *he has no* [there shall not be a] right to trial under this section.

Section 5. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

(1) The Governor, on the recommendation of the Adjutant General, shall appoint an officer of the National Guard or Active Militia as state judge advocate. To be eligible for appointment, an officer must be a member of the bar of the highest court of the state and must have been a member of the bar of the state for at least five years.

(2) The Adjutant General may appoint as many assistant state judge advocates as he considers necessary. To be eligible for appointment, assistant state judge advocates must be officers of the National Guard or Active Militia and members of the bar of the highest court of the state.

(3) Convening authorities shall at all times communicate directly with their staff judge advocates in matters relating to the administration of military justice; and the staff judge advocate of any command is entitled to communicate directly with the staff judge advocate of a superior or subordinate command, or with the state judge advocate.

(4) No person who has acted as member, military judge, trial counsel, assistant trial counsel, defense counsel, assistant defense counsel or investigating officer, or who has been a witness for either the prosecution or defense in any case, may later act as staff judge advocate to any reviewing authority upon the same case.

Section 6. Section 35.040 of the Kentucky Revised Statutes is amended to read as follows:

It shall be lawful for any civil officer having authority to ap-

prehend offenders under the laws of the United States or of any state, district, territory or possession of the United States, summarily to apprehend a deserter from the National Guard or Active Militia and deliver him into the custody of the National Guard or Active Militia. *If an offender is apprehended outside the state, his return to the area must be in accordance with normal extradition procedures, or reciprocal agreements.*

Section 7. Section 35.045 of the Kentucky Revised Statutes is amended to read as follows:

(1) Arrest is the restraint of a person by an order not imposed as a punishment for an offense, directing him to remain within certain specified limits. Confinement is the physical restraint of a person.

(2) An enlisted person may be ordered apprehended or into arrest or confinement by an officer by an order, oral or written, delivered in person, or through other subject persons, or through any person authorized by this code to apprehend persons. *A commanding officer may authorize warrant officers or noncommissioned officers to order enlisted members of his command or subject to his authority into arrest or confinement.*

(3) An officer may be ordered into arrest or confinement only by a commanding officer to whose authority he is subject, by an order, oral or written, delivered in person or by another officer. The authority to order such persons into arrest or confinement may not be delegated.

(4) No person shall be ordered into arrest or confinement except for probable cause.

(5) Nothing in this section shall be construed to limit the authority of persons authorized to apprehend offenders to secure the custody of an alleged offender until proper authority may be notified.

Section 8. Section 35.050 of the Kentucky Revised Statutes is amended to read as follows:

Any subject person charged with an offense under this code shall be ordered apprehended or into arrest or confinement, as circumstances may require. When any subject person is placed in arrest or confinement prior to trial, immediate steps shall be

taken to inform him of the specific wrong of which he is accused, and to try him or to dismiss the charges and release him. *The accused may be admitted to bail by posting bond in the amount ordered by the convening authority, but not to exceed the maximum fine for the offense.*

Section 9. Section 35.065 of the Kentucky Revised Statutes is amended to read as follows:

(1) Under such regulations as may be issued pursuant to this chapter, a subject person accused of an offense against civil authority may be delivered, upon request, to the civil authority for trial.

(2) When delivery under this chapter is made to any civil authority of a person undergoing sentence of a court-martial, such delivery [if followed by conviction in a civil tribunal,] shall be held to interrupt the execution of the sentence of the court-martial, and the offender, after having answered to the civil authorities for his offense, shall, upon the request of the Adjutant General, be returned to military custody for the completion of the said court-martial sentence.

Section 10. Section 35.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) Under such regulations as may be issued pursuant to this chapter, any commanding officer may, in addition to or in lieu of admonition or reprimand, impose one of the following disciplinary punishments for minor offenses without the intervention of a court-martial:

(a) Upon officers of his command:

1. Withholding of privileges for a period not to exceed two consecutive weeks;

2. Restriction to certain specified limits, with or without suspension from duty, for a period not to exceed two consecutive weeks; or

3. If imposed by the Governor or Adjutant General, forfeiture of pay and allowances not exceeding seventy-five dollars.

(b) Upon other military personnel:

1. Withholding of privileges for a period not to exceed two consecutive weeks;

2. Restriction to certain specified limits, with or without suspension from duty, for a period not to exceed two consecutive weeks;

3. Extra duties for a period not more *than fourteen days which need not be consecutive* [to exceed two consecutive weeks], and not to exceed two hours per day, holidays included; or

4. If imposed by an officer exercising special court-martial jurisdiction, forfeiture of pay and allowances not exceeding *twenty-five* [ten] dollars *or a fine of a like amount.*

5. Reduction to next inferior grade if the grade from which demoted was established by the command or an equivalent or lower command;

(2) Prior to being informed of the disciplinary action to be taken under this section, the person to be punished shall have the right to demand a trial by court-martial for the offense.

(3) [(2)] Under such regulations as may be issued pursuant to this chapter, limitations may be placed on the powers granted by this section with respect to the kind and amount of punishment authorized, the categories of commanding officers authorized to exercise such powers, and the applicability of this section to an accused on active service who demands trial by a court-martial.

(4) [(3)] An officer in charge may, for minor offenses, imposed on enlisted persons assigned to the unit of which he is in charge such of the punishments authorized to be imposed by commanding officers as may be specifically prescribed by regulations issued pursuant to this chapter.

[(4) A person punished under authority of this section who deems his punishment unjust or disproportionate to the offense may, through the proper channel, appeal to the next superior authority. The appeal shall be promptly forwarded and decided, but the person punished may in the meantime be required to undergo the punishment adjudged. The officer who imposes the punishment, his successor in command, and superior authority,

shall have power to suspend,] [set aside, or remit any part or amount of the punishment and to restore all rights, privileges, and property affected.]

(5) Except where punishment has been imposed by the Governor, a person punished under this section who considers his punishment unjust or disproportionate to the offense may, through the proper channel, appeal to the next superior authority. The appeal shall be promptly forwarded and decided, but the person punished may in the meantime be required to undergo the punishment adjudged. The officer who imposes the punishment, his successor in command and superior authority may suspend, set aside or remit any part or amount of the punishment and restore all rights, privileges and property affected.

(6) [(5)] The imposition and enforcement of disciplinary punishment under authority of this section for any act or omission shall not be a bar to trial by court-martial for a serious crime or offense growing out of the same act or omission, and not properly punishable under this section; but the fact that a disciplinary punishment has been enforced may be shown by the accused upon trial, and when so shown shall be considered in determining the measure of punishment to be adjudged in the event of a finding of guilty.

(7) [(6)] Whenever a punishment of forfeiture of pay and allowances is imposed as provided in this section, the forfeiture may apply to pay or allowances becoming due on or after the date such punishment is imposed and to any pay allowances accrued before such a date.

Section 11. Section 35.075 of the Kentucky Revised Statutes is amended to read as follows:

(1) In the National Guard and Active Militia there are general, special and summary courts-martial constituted like similar courts of the armed forces of the U. S. They have the jurisdiction and powers, except as to punishments, and shall follow the forms and procedures provided for those courts.

(2) The three kinds of courts-martial are:

(a) General courts-martial:

1. Consisting of a military judge and not less than five members, or;

2. *Only a military judge, if before the court is assembled the accused, knowing the identity of the military judge and after consultation with defense counsel, requests in writing a court composed only of a military judge and the military judge approves.*

(b) Special courts-martial:

1. *Consisting of a military judge and not less than three members; or*

2. *Only a military judge if the accused under the same conditions as those prescribed in sub-paragraph (2) (a) 2. so requests.*

(c) Summary courts-martial, consisting of one commissioned officer.

[There shall be three kinds of courts-martial in each of the forces of the National Guard and Active Militia, namely:]

[(1) General courts-martial, which shall consist of a law officer and any number of members not less than five;]

[(2) Special courts-martial, which shall consist of any number of members not less than three; and]

[(3) Summary courts-martial, which shall consist of one officer other than a warrant officer.]

Section 12. Section 35.085 of the Kentucky Revised Statutes is amended to read as follows:

General courts-martial shall have jurisdiction to try subject persons for any offense for which they may be punished by this code, and, in connection therewith, shall have the power to fix the following punishments:

(1) Confinement with hard labor for not exceeding two hundred days;

(2) Fines not exceeding two hundred dollars;

(3) Confinement with hard labor in lieu of fines imposed, not exceeding one day for each dollar of fine imposed;

(4) Forfeiture of pay and allowances, not exceeding two hundred dollars;

(5) Dismissal, dishonorable or other punitive discharge;

[(5) Dishonorable discharge;]

[(6) Bad conduct discharge;]

(6) [(7)] Reprimand;

(7) [(8)] Reduction of *enlisted personnel* [noncommissioned officers] to *a lower grade* [the ranks]; or

(8) [(9)] A combination of any two or more of the punishments provided herein.

Section 13. Section 35.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) Special courts-martial [shall] have jurisdiction to try *persons* subject [persons] *to this code, except commissioned officers,* for any offense for which they may be punished *under* [by] this code. *A special court-martial has the same powers of punishment as a general court-martial, except that dismissal, or dishonorable discharge may not be adjudged and for a single offense, no fine may be more than $100 or no confinement may be more than 100 days.* [, and, in connection therewith, shall have the power to fix the following punishments:]

[(a) Confinement with hard labor for not exceeding one hundred days;]

[(b) Fines not exceeding one hundred dollars;]

[(c) Confinement with hard labor in lieu of fines imposed, not exceeding one day for each dollar of fine imposed;]

[(d) Forfeiture of pay and allowances, not exceeding one hundred dollars;]

[(e) Bad conduct discharge;]

[(f) Reprimand;]

[(g) Reduction of noncommissioned officers to the ranks; or]

[(h) A combination of any two or more of the punishments provided herein.]

(2) A bad conduct discharge shall not be adjudged unless a complete record of the proceedings and testimony before the

court has been made, *and counsel qualified under law was detailed to represent the accused.*

Section 14. Section 35.095 of the Kentucky Revised Statutes is amended to read as follows:

(1) Summary courts-martial shall have jurisdiction to try subject persons, except officers, for any offense for which they may be punished by this code.

(2) No person [s] *shall be tried by* [on active state service with respect to whom courts-martial have jurisdiction shall be brought to trial before] a summary court-martial if, *prior to trial,* he objects thereto. [, unless under the provisions of KRS 35.070 he has been] [permitted and has elected to refuse punishment under such section.] *If* [Where] objection to trial by summary court-martial is made by such an accused [who has not been permitted to refuse punishment under KRS 35.070], trial *may* [shall] be ordered by special or general court-martial as *is* [may be] appropriate.

(3) A summary court[s]-martial *may sentence to a fine of not more than twenty-five dollars for a single offense or to confinement not more than twenty-five days, to forfeiture of pay and allowances, to reduction to a lower grade or any combination of these punishments.* [shall have the power to fix the following punishments in trials before them:]

[(a) Confinement with hard labor for not exceeding twenty-five days;]

[(b) Fines not exceeding twenty-five dollars;]

[(c) Confinement with hard labor in lieu of fines imposed, not exceeding one day for each dollar of fine imposed;]

[(d) Forfeiture of pay and allowances, not exceeding twenty-five dollars;]

[(e) Reprimand;]

[(f) Reduction of noncommissioned officers to the ranks; or]

[(g) A combination of any two or more of the punishments provided herein.]

Section 15. Section 35.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any officer of or on duty with the National Guard or Active Militia shall be eligible to serve on all courts-martial for the trial of any person who may lawfully be brought before such courts for trial.

(2) Any warrant officer of or on duty with the National Guard or Active Militia shall be eligible to serve on general and special courts-martial for the trial of any person, other than an officer, who may lawfully be brought before such courts for trial.

(3) (a) Any enlisted *member* [person] of the National Guard or Active Militia *who is* not a member of the same unit as the accused *is* [shall be] eligible to serve on general and special courts-martial for the trial of any enlisted *member* [person who may lawfully be brought before such courts for trial], but he shall serve as a member of a court, only if, *before the conclusion of a session called by the military judge under KRS 35.195* prior to *trial or, in the absence of such a session, before the court is assembled for the trial of the accused,* the accused personally has requested in writing that enlisted persons serve on it. After such request *the accused* [no enlisted person] shall *not* be tried by a general or special court-martial the membership of which does not include enlisted persons in a number comprising at least one-third of the total membership of the court, unless eligible *members* [enlisted persons] cannot be obtained on account of physical conditions or military exigencies. *If enlisted members* [Where such persons] cannot be obtained, the court may be convened and the trial held without them, but the convening authority shall make a detailed written statement, to be appended to the record, stating why they could not be obtained.

(b) For the purposes of this section, the word "unit" shall mean a duly organized body of the National Guard or Active Militia not larger than a company or a squadron.

(4) (a) When it can be avoided, no subject person shall be tried by a court-martial any member of which is junior to him in rank or grade.

(b) When convening a court-martial, the convening authority shall *detail* [appoint] as members thereof such persons as,

in his opinion, are best qualified for the duty by reason of age, education, training, experience, length of service, and judicial temperament. No *member* [person] *is* [shall be] eligible to *serve* [sit] as a member of a general or special court-martial when he is the accuser, or a witness for the prosecution, or has acted as investigating officer or as counsel in the same case. *If within the command of the convening authority there is present and not otherwise disqualified a commissioned officer who is a member of the bar of the highest court of this state and of appropriate rank and grade, the convening authority shall appoint him as president of a general or special court-martial. Although this requirement is binding on the convening authority, failure to meet it in any case does not divest a military court of jurisdiction.*

Section 16. Section 35.125 of the Kentucky Revised Statutes is amended to read as follows:

(1) The authority convening a general *or special* court-martial shall *request the state judge advocate to detail as military judge thereof a commissioned officer* [appoint as law officer one] who is a member of the bar of the highest court of a state. No person *is* [shall be] eligible to act as *military judge* [law officer] in a case *if* [when] he is the accuser, or a witness for the prosecution, or has acted as investigating officer, or as counsel in the same case.

(2) The *military judge may* [law officer shall] not consult with the members of the court [, other than on the form of the findings as provided in KRS 35.195], except in the presence of the accused, trial counsel, and defense counsel, nor *may* [shall] he vote with the members of the court.

Section 17. Section 35.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) For each general and special court-martial the authority convening the court shall *request the state judge advocate to detail* [appoint a] trial counsel and a defense counsel *and* [, together with such] assistants as he *considers* [deems necessary or] appropriate. No person who has acted as investigating officer, *military judge* [law officer], or court member in any case shall act *later* [subsequently] as trial counsel, assistant trial coun-

sel, or, unless expressly requested by the accused, as defense counsel or assistant defense counsel in the same case. No person who has acted for the prosecution shall act *later* [subsequently] in the same case for the defense, nor shall any person who has acted for the defense act *later* [subsequently] in the same case for the prosecution.

(2) *Trial counsel and defense counsel for a general and special court-martial shall be members of the bar of the highest court of the state.* [A person who is appointed as trial counsel or defense counsel of a general court-martial shall be a judge advocate of the National Guard or Active Militia or a person who is a member of the bar of the highest court of a state.]

[(3) In the case of a special court-martial:]

[(a) If the trial counsel is qualified to act as counsel before a general court-martial, the defense counsel appointed by the convening authority shall be a person similarly qualified;]

[(b) If the trial counsel is a judge advocate, or a member of the bar of the highest court of a state, the defense counsel appointed by the convening authority shall be one of the foregoing.]

Section 18. Section 35.135 of the Kentucky Revised Statutes is amended to read as follows:

No person who has acted as member, *military judge*, [law officer,] trial counsel, assistant trial counsel, defense counsel, assistant defense counsel or investigating officer in any case shall subsequently act as a staff judge advocate or legal officer to any reviewing authority upon the same case.

Section 19. Section 35.145 of the Kentucky Revised Statutes is amended to read as follows:

(1) No member of a general or special court-martial shall be absent or excused after the accused has been arraigned except for physical disability or as a result of a challenge or by order of the convening authority for good cause.

(2) Whenever a general court-martial is reduced below five members, the trial *may* [shall] not proceed unless *specifically consented to by the accused and defense counsel. In*

such case a new trial may be ordered by the convening authority. [the convening authority appoints new members sufficient in number to provide not less than five members. When such new members have been sworn, the trial may proceed after the recorded testimony of each witness previously examined has been read to the court in the presence of the law officer, the accused, and counsel.]

(3) Whenever a special court-martial is reduced below three members, the trial *may* [shall] not proceed unless *specifically consented to by the accused and defense counsel. In such case a new trial may be ordered by the convening authority.* [the convening authority appoints new members sufficient in number to provide not less than three members. When such new members have been sworn, the trial shall proceed as if no evidence had previously been introduced, unless a verbatim record of the testimony of previously examined witnesses or a stipulation thereof is read to the court in the presence of the accused and counsel.]

Section 20. Section 35.155 of the Kentucky Revised Statutes is amended to read as follows:

(1) No subject person shall compel any person to incriminate himself or to answer any question the answer to which may tend to incriminate him.

(2) No subject person *to this code may* [shall] interrogate, or request any statement from [,] an accused or a person suspected of an offense without first informing him of the nature of the accusation and advising him that he does not have to make any statement regarding the offense of which he is accused or suspected, [and] that any statement made by him may be used as evidence against him in a trial by court-martial [.] *, that he has a right to consult with a lawyer, that he has a right to have a lawyer present during questioning, that he has a right to request a lawyer and that upon his request one will be provided him without cost or, if he prefers, he may retain counsel of his choice at his own expense.*

(3) No subject person shall compel any person to make a statement or produce evidence before any military tribunal if the statement or evidence is not material to the issue and may tend to degrade him.

(4) No statement obtained from any person in violation of this section, or through the use of coercion, unlawful influence, or unlawful inducement shall be received in evidence against him in a trial by court-martial.

(5) The requirements of this section are binding on all persons administering this code but failure to follow them does not divest a military court of jurisdiction.

Section 21. Section 35.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) No charge or specification shall be referred to a [general] court-martial for trial until a thorough and impartial investigation of all the matters set forth therein has been made. This investigation shall include inquiries as to the truth of the matter set forth in the charges, form of charges, and the disposition which should be made of the case in the interest of justice and discipline.

(2) The accused shall be advised of the charges against him and of his right to be represented by counsel at such investigation. Upon his own request he shall be represented by civilian counsel if provided by him, or military counsel of his own selection if such counsel be reasonably available, or by counsel *detailed by the state judge advocate.* [appointed by the officer exercising general court-martial jurisdiction over the command.] At such investigation full opportunity shall be given to the accused to cross-examine witness against him if they are available and to present anything he may desire in his own behalf, either in defense or mitigation, and the investigating officer shall examine available witness requested by the accused. If the charges are forwarded after such investigation, they shall be accompanied by a statement of the substance of the testimony taken on both sides and a copy thereof shall be given to the accused.

(3) If an investigation of the subject matter of an offense has been conducted prior to the time the accused is charged with the offense, and if the accused was present at such investigation and afforded the opportunities for representation, cross-examination, and presentation as prescribed in subsection (2) of this section, no further investigation of that charge is necessary under this section unless it is demanded by the accused after

he is informed of the charge. A demand for further investigation entitles the accused to recall witnesses for further cross-examination and to offer any new evidence in his own behalf.

(4) The requirements of this section shall be binding on all persons administering this code, but failure to follow them in any case shall not divest a military court of jurisdiction.

Section 22. Section 35.175 of the Kentucky Revised Statutes is amended to read as follows:

The trial counsel to whom court-martial charges are referred for trial shall cause to be served upon the accused a copy of the charges upon which trial is to be had. [In time of peace] No person shall, against his objection, be brought to trial before a general court-martial within a period of five days subsequent to the service of the charges upon him, or before a special court-martial within a period of three days subsequent to the service of the charges upon him.

Section 23. Section 35.185 of the Kentucky Revised Statutes is amended to read as follows:

(1) No authority convening a *general, special or summary* court-martial, nor any other commanding officer, *or officer serving on the staff thereof,* shall censure, reprimand, or admonish *the* [such] court or any member, *military judge* [law officer], or counsel thereof, with respect to the findings or sentence adjudged by the court, or with respect to any other exercise of its or his functions in the conduct of the proceeding. No [subject] person *subject to this code* shall attempt to coerce or, by unauthorized means, influence the action of a court-martial or any other military tribunal or any member thereof, in reaching the findings or sentence in any case, or the action of any convening, approving, or reviewing authority with respect to his judicial acts. *The foregoing provisions shall not apply to:*

(a) General instructional or informational courses in military justice, if such courses are designed solely for the purpose of instructing members of a command in the substantive and procedural aspects of courts-martial; or

(b) Statements and instructions given in open court by the military judge or counsel.

(2) In the preparation of an effectiveness, fitness or efficiency report, or any other report or document used in whole or in part for the purpose of determining whether a member of the National Guard or Active Militia is qualified to be advanced in grade or in determining the assignment or transfer of a member of the National Guard or Active Militia or in determining whether a member of the National Guard or Active Militia should be retained on duty, no person subject to this code may in preparing any such report:

(a) Consider or evaluate the performance of duty of any such member as a member, military judge or trial counsel of a court-marital; or

(b) Give a less favorable rating or evaluation of any member of the National Guard or Active Militia because of the zeal with which such member as counsel represented any accused before a court-martial. This subsection is not applicable to evaluations made by the state judge advocate of the performance of personel under his supervision.

Section 24. Section 35.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) The trial counsel of a general or special court-martial shall prosecute in the name of the state, and shall, under the direction of the court, prepare the record of the proceedings.

(2) The accused shall have the right to be represented in his defense before a general or special court-martial by civilian counsel if provided by him, or by military counsel of his own selection if reasonably available, or by the defense counsel duly appointed pursuant to KRS 35.130. *If* [Should] the accused *has* [have] counsel of his own selection, the duly appointed defense counsel, and assistant defense counsel, if any, shall, if the accused so desires, act as his associate counsel; otherwise they shall be excused by the *military judge.* [president of the court.]

(3) In every court-martial proceeding, the defense counsel may, in the event of conviction, forward for attachment to the record of proceedings a brief of such matters as he feels should be considered in behalf of the accused on review, including any objection to the contents of the record which he may deem appropriate.

(4) An assistant trial counsel of a general court-martial may, under the direction of the trial counsel, or when he is qualified to be a trial counsel as required by KRS 35.130, perform any duty imposed by law, regulation, or the custom of the service upon the trial counsel of the court. An assistant trial counsel of a special court-martial may perform any duty of the trial counsel.

(5) An assistant defense counsel of a general or special court-martial may, under the direction of the defense counsel, or when he is qualified to be the defense counsel as required by KRS 35.130, perform any duty which, by law, regulation, or the custom of the service, is placed upon counsel for the accused.

Section 25. Section 35.195 of the Kentucky Revised Statutes is amended to read as follows:

(1) At any time after the service of charges which have been referred for trial to a court-martial composed of a military judge and members, the military judge may call the court into session without the presence of the members for:

(a) Hearing and determining motions raising defenses or objections which are capable of determination without trial of the issues raised by a plea of not guilty; or

(b) Hearing and ruling upon any matter which may be ruled upon by the military judge whether or not the matter is appropriate for later consideration or decision by the members of the court; or

(c) If permitted by the regulations of the Governor holding the arraignment and receiving the pleas of the accused; and

(d) Performing any other procedural function which may be performed by the military judge under KRS 35.180 which does not require the presence of the members of the court. These proceedings shall be conducted in the presence of the accused, defense counsel and trial counsel and shall be made part of the record.

(2) Whenever a general or special court-martial deliberates or votes, only the members of the court may be present. All other proceedings, including any consultation of the court with counsel or the military judge shall be made part of the record

and shall be in the presence of the accused, the defense counsel, the trial counsel and the military judge.

[Whenever a general or special court-martial is to deliberate or vote, only the members of the court shall be present. After a] [general court-martial has finally voted on the findings, the court may request the law officer and the reporter to appear before the court to put the findings in proper form, and such proceedings shall be on the record. All other proceedings, including any other consultation of the court with counsel or the law officer shall be made a part of the record and be in the presence of the accused, the defense counsel, the trial counsel, and, in general court-martial cases, the law officer.]

Section 26. Section 35.200 of the Kentucky Revised Statutes is amended to read as follows:

The military judge or a court-martial *without a military judge* may, for reasonable cause, grant a continuance to any party for such time and as often as [may] appears to be just.

Section 27. Section 35.205 of the Kentucky Revised Statutes is amended to read as follows:

(1) *The military judge and* members of a general or special court-martial [and the law officer of a general court-martial] may be challenged by the accused or the trial counsel for cause stated to the court. The court shall determine the relevancy and validity of challenges for cause, and shall not receive a challenge to more than one person at a time. Challenges by the trial counsel shall ordinarily be presented and decided before those by the accused are offered.

(2) Each accused and trial counsel *is* [shall] be entitled to one premptory challenge, but the *military judge* [law officer] *may* [shall] not be challenged except for cause.

Section 28. Section 35.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) The *military judge* [law officer], all interpreters, and, in general and special courts-martial, the members, the trial counsel, assistant trial counsel, the defense counsel, assistant defense counsel, and the reporters shall take an oath or affirmation in the presence of the accused to perform their duties faithfully.

(2) All witnesses before courts-martial shall be examined on oath or affirmation.

Section 29. Section 35.215 of the Kentucky Revised Statutes is amended to read as follows:

(1) A person charged with any offense is not liable to be tried by court-martial or punished under KRS 35.070 if the offense was committed more than two years before the receipt of sworn charges and specifications by an officer exercising summary court-martial jurisdiction over the command or before the imposition of punishment under KRS 35.070. Notwithstanding the foregoing, a prosecution for larceny and wrongful appropriation under KRS 35.670 against one who obtained the property lawfully and subsequently misappropriated it may be commenced within one year after discovery of the loss, but in no case shall this extend the time limitation by more than five years.

[(1) A person charged with mutiny may be tried and punished at any time without limitation.]

[(2) Except as otherwise provided in this section, a person charged with desertion or absence without leave shall not be liable to be tried by court-martial if the offense was committed more than one year before the receipt of sworn charges and specifications by] [an officer exercising summary court-martial jurisdiction over the command.]

[(3) Except as otherwise provided in this chapter, a person charged with any offense shall not be liable to be tried by court-martial or punished under KRS 35.070, if the offense was committed more than two years before the receipt of sworn charges and specifications by an officer exercising summary court-martial jurisdiction over the command or before the imposition of punishment under KRS 35.070.]

(2) [(4)] Periods in which the accused was absent from territory in which the state has the authority to apprehend him, or in the custody of civil authorities, shall be excluded in computing the period of limitation prescribed in this section.

Section 30. Section 35.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall [, without his consent,] be tried a

second time by a [military] court of the state for the same offense.

(2) No proceeding in which an accused has been found guilty by a court-martial upon any charge or specification shall be held to be a trial in the sense of this section until the finding of guilty has become final after review of the case has been fully completed.

(3) A proceeding which, subsequent to the introduction of evidence but prior to a finding, is dismissed or terminated by the convening authority or on motion of the prosecution for failure of available evidence or witnesses without any fault of the accused shall be a trial in the sense of this section.

Section 31. Section 35.225 of the Kentucky Revised Statutes is amended to read as follows:

(1) If an accused arraigned before a court-martial makes any irregular pleading, or, after a plea of guilty, sets up matter inconsistent with the plea, or if it appears that he has entered the plea of guilty improvidently or through lack of understanding of its meaning and effect, or if he fails or refuses to plead, a plea of not guilty shall be entered in the record and the court shall proceed as though he had pleaded not guilty.

(2) With respect to any charge or specification to which a plea of guilty has been made by the accused and accepted by the military judge or by a court-martial without a military judge, a finding of guilty of the charge or specification may, if permitted by the regulations of the Governor, be entered immediately without vote. This finding shall constitute the finding of the court unless the plea of guilty is withdrawn prior to the announcement of the sentence, in which event the proceedings shall continue as though the accused had pleaded not guilty.

Section 32. Section 35.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) The trial counsel, defense counsel, and the court-martial shall have equal opportunity to obtain witnesses and other evidence in accordance with regulations issued by the Governor pursuant to this chapter. [Process issued in court-martial cases to compel witnesses to appear and testify and to compel the pro-

duction of other evidence shall run to any part of the state and to any other state in which the court-martial may be sitting.]

(2) The military judge of a court-martial or a summary court officer may:

(a) Issue a warrant for the arrest of any accused person, who, having been served with a warrant and a copy of the charges, disobeys a written order by the convening authority to appear before the court;

(b) Issue subpoenas duces tecum and other subpoenas;

(c) Enforce by attachment the attendance of witnesses and the production of books and papers.

Section 33. Section 35.235 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every person not subject to this code, who, after the following two provisions have been complied with, willfully neglects or refuses to appear, or refuses to qualify as a witness or to testify or to produce any evidence which such person may have been duly subpoenaed to produce, shall be deemed guilty of an offense against the state:

(a) Has been duly subpoenaed to appear as a witness or to produce books and records before any court-martial, military commission or court of inquiry, or before any military or civil officer designated to take a deposition to be read in evidence before such court-martial, commission or court of inquiry; and

(b) Has been duly paid or tendered the fees and mileage of a witness at the rates allowed to witnesses attending a circuit court of the state.

(2) Upon the certification of the facts under sub. (1) by the military court or tribunal to the commonwealth attorney of the county where the offense occurred, the commonwealth attorney shall prosecute the accused in circuit court and jurisdiction is hereby conferred upon such courts for this purpose. If convicted, the person may be fined not more than $250 or imprisoned not more than thirty days or both.

[(2) Any person guilty of an offense against the state under subsection (1) of this section may be punished by the court-martial, military commission or court of inquiry which issued

the subpoena or subpoena duces tecum in the same manner and to the same extent as is provided for such failure or refusal in actions or proceedings in the Court of Appeals of this state.]

Section 34. Section 35.240 of the Kentucky Revised Statutes is amended to read as follows:

(1) A military court may punish for contempt any person *subject to this code* who uses any *disrespectful* [menacing] words, signs, or gestures in its presence, or who disturbs its proceedings by any riot or disorder. [Such punishment shall not exceed confinement for thirty days or a fine of one hundred dollars, or both.]

(2) Any person not subject to this code who engages in conduct described in subsection (1) may be fined not more than $250 or imprisoned not more than thirty days or both. Upon certification of the facts by the military court or tribunal to the Commonwealth's attorney of the county where the offense occurred, the Commonwealth's attorney shall prosecute the accused in circuit court and jurisdiction is hereby conferred upon such courts for this purpose.

Section 35. Section 35.245 of the Kentucky Revised Statutes is amended to read as follows:

(1) At any time after charges have been signed as provided in KRS 35.150, any party may take [written] depositions. If a deposition is to be taken before charges are referred for trial, the trial authority may designate officers to represent the prosecution and the defense and may authorize such officers to take the depositions of any witness.

(2) The party at whose instance a deposition is to be taken shall give to every other party reasonable written notice of the time and place for taking the deposition.

(3) Depositions may be taken before and authenticated by any military or civil officer authorized by the laws of the state or by the laws of the place where the deposition is taken to administer oaths.

(4) A duly authenticated deposition taken upon reasonable notice to the other party, so far as otherwise admissible under the rules of evidence, may be read in evidence before

any court-martial, military commission or in any proceeding before a court of inquiry, if it appears:

(a) That the witness resides or is beyond the state in which the court-martial, military commission or court of inquiry is ordered to sit, or beyond the distance of one hundred miles from the place of trial or hearing;

(b) That the witness, by reason of death, age, sickness, bodily infirmity, imprisonment, military necessity, nonamenability to process, or other reasonable cause, is unable or refuses to appear and testify in person at the place of trial or hearing; or

(c) That the present whereabouts of the witness is unknown.

Section 36. Section 35.250 of the Kentucky Revised Statutes is amended to read as follows:

Records of courts of inquiry are not admissible as evidence in any court-martial.

[(1) In any case not extending to the dismissal of an officer, the sworn testimony, contained in the duly authenticated record of proceedings of a court of inquiry, of a person whose oral testimony cannot be obtained, may, if otherwise admissible under the rules of evidence, be read in evidence by any party before a court-martial or military commission if the accused was a party before the court of inquiry and if the same issue was involved therein, or the accused consents to the introduction of such evidence.]

[(2) Such testimony may be read in evidence only by the defense in cases extending to the dismissal of an officer.]

[(3) Such testimony may also be read in evidence before a court of inquiry or a military board.]

Section 37. Section 35.255 of the Kentucky Revised Statutes is amended to read as follows:

(1) Voting by members of a general or special court-martial upon questions of challenge, on the findings, and on the sentence, shall be by secret written ballot. The junior member of the court shall in each case count the votes, which count shall be

checked by the president, who shall forthwith announce the result of the ballot to the members of the court.

(2) The *military judge* [law officer] of a general *or* [court-martial and the president of a] special court-martial shall rule upon interlocutory questions, other than challenge, arising during the proceedings. Any such ruling made by the *military judge* [law officer of a general court-martial] upon any interlocutory question other than a motion for a finding of not guilty, or the question of accused's sanity, shall be final and shall constitute the ruling of the court; but the *military judge* [law officer] may change any such ruling at any time during the trial. Unless such ruling be final, if any member objects thereto, the court shall be cleared and closed and the question decided by a vote as provided in KRS 35.260 viva voce, beginning with the junior in rank.

(3) Before a vote is taken on the findings, the *military judge* [law officer of a general court-martial and the president of a special court-martial] shall, in the presence of the accused and counsel, instruct the court as to the elements of the offense and charge the court as follows:

(a) That the accused must be presumed to be innocent until his guilt is established by legal and competent evidence beyond reasonable doubt;

(b) That in the case being considered, if there is a reasonable doubt as to the guilt of the accused, the doubt shall be resolved in favor of the accused and he shall be acquitted;

(c) That if there is a reasonable doubt as to the degree of guilt, the finding must be in a lower degree as to which there is no reasonable doubt; and

(d) That the burden of proof to establish the guilt of the accused beyond reasonable doubt is upon the state.

(4) Subsections (1), (2) and (3) do not apply to a court-martial composed of a military judge only. The military judge of such a court-martial shall determine all questions of law and fact finding arising during the proceedings and, if the accused is convicted, adjudge an appropriate sentence. The military judge of such a court-martial shall make a general finding and shall in addition on request find the facts specially. If an opinion or

memorandum decision is filed, it will be sufficient if the findings of fact appear therein.

Section 38. Section 35.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall be convicted of any offense except by the *unanimous* concurrence of [at least two-thirds of] the members present at the time the vote is taken. [, and all sentences shall be determined in the same manner.]

(2) All sentences shall be determined by the unanimous concurrence of the members present at the time the vote is taken.

(3) [(2)] All other questions to be decided by the members of a general or special court-martial shall be determined by a majority vote. A tie vote on a challenge shall disqualify the member challenged. A tie vote on a motion for a finding of not guilty or on a motion relating to the question of the accused's sanity shall be a determination against the accused. A tie vote on any other question shall be a determination in favor of the accused.

Section 39. Section 35.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) *General and special courts-martial shall keep a verbatim record of the trial of each case. Upon request of the accused or a reviewing authority, or the state judge advocate, the record shall be transcribed and authenticated by the president and the military judge. If the record cannot be authenticated by either the president or the military judge by reason of his death, disability or absence, it shall be signed by a member in lieu of him. If both the president and the military judge are unavailable, the record shall be authenticated by two members. In all other courts-martial, records of trial shall contain such matter and be authenticated in such manner as the Governor by regulation prescribes.* [Each general court-martial shall keep a separate record of the proceedings of the trial of each case brought before it, and such record shall be authenticated by the signature of the president and the law officer. In case the record cannot be authenticated by either the president or the law officer, by reason of the death, disability, or absence of such officer, it shall be signed by a member in lieu of him. If both the presi-

dent and the law officer are unavailable for such reasons, the record shall be authenticated by two members.]

(2) A copy of the record of each general and special court-martial shall be given to the accused as soon as it is authenticated.

[(2) Each special and summary court-martial shall keep a separate record of the proceedings in each case, which record shall contain such matter and be authenticated in such manner as may be required by regulations issued pursuant to this chapter.]

[(3) As soon as authenticated, a copy of the record of the proceedings of each general and special court shall be given to the accused.]

Section 40. Section 35.280 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever a sentence of a court-martial, as lawfully adjudged and approved, includes a forfeiture of pay or allowances in addition to confinement not suspended, the forfeiture may apply to pay or allowances becoming due on or after the date such sentence is approved by the convening authority. *No forfeiture may extend* [and] to any pay or allowances accrued before *that* [such] date.

(2) Any period of confinement included in a sentence of a court-martial shall begin to run from the date the sentence is adjudged by the court-martial, but periods during which the sentence to confinement is suspended shall be excluded in computing the service of the term of confinement.

(3) All other sentences of court-martial shall become effective on the date ordered executed. *In no case may a sentence be executed until final action is taken on review.*

Section 41. Section 35.285 of the Kentucky Revised Statutes is amended to read as follows:

(1) *A* [Any] sentence of confinement adjudged by a [court-martial or other] military court [, whether or not such sentence includes discharge or dismissal, and whether or not such discharge or dismissal has been executed,] may be carried into execution by confinement in any place of confinement under the

control of the National Guard or Active Militia, or in any jail, penitentiary or prison designated for that purpose as prescribed in KRS 35.055; and persons so confined in such a jail, penitentiary or prison shall be subject to the same discipline and treatment as persons confined or committed to such jail, penitentiary or prison by the courts of the state. [or of any political subdivision thereof.]

(2) The omission of the words "hard labor" in any sentence of a court-martial adjudging confinement shall not be construed as depriving the authority executing such sentence of the power to require hard labor as a part of the punishment.

(3) The jailers, officers and wardens of all jails, penitentiaries or prisons designated pursuant to KRS 35.055 shall receive the bodies of persons ordered into confinement prior to trial and of persons committed to confinement by the process or mandate of a military court and shall confine them according to law, and no such jailer, officer or warden shall demand or require payment of any fee or charge of any nature for receiving or confining a person in such jail, penitentiary or prison except that county jailer may be entitled payment for keeping and dieting prisoners in jail as provided in KRS 64.150.

Section 42. Section 35.295 of the Kentucky Revised Statutes is amended to read as follows:

After every trial by court-martial, the record shall be forwarded to the convening authority, as reviewing authority, and action thereon may be taken by the officer who convened the court, an officer commanding for the time being, a successor in command, or by *the Governor. He shall approve the sentence or such part, amount or commuted form of the sentence as he sees fit, and may suspend the execution of the sentence as approved by him.* [any officer exercising general court-martial jurisdiction.]

Section 43. Section 35.310 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the convening authority disapproves the findings and sentence of a court-martial he may, except where there is lack of sufficient evidence in the record to support the findings, order a rehearing, in which case he shall state the reasons for

disapproval. If he disapproves the findings and sentence and does not order a rehearing, he shall dismiss the charges.

(2) Every rehearing shall take place before a court-martial *whose composition shall not include any member or military judge* [composed of members not members] of the court-martial which first heard the case. Upon such rehearing the accused shall not be tried for any offense of which he was found not guilty by the first court-martial, and no sentence in excess of or more severe than the original sentence shall be imposed unless the sentence is based upon a finding of guilty of an offense not considered upon the merits in the original proceedings or unless the sentence prescribed for the offense is mandatory.

Section 44. Section 35.315 of the Kentucky Revised Statutes is amended to read as follows:

In acting on the findings and sentence of a court-martial, the convening authority shall approve only such findings of guilty, and the sentence or such part or amount of the sentence, as he finds correct in law and fact and [as he, in his discretion,] determines should be approved. Unless otherwise indicated, approval of the sentence shall constitute approval of the findings and sentence.

Section 45. Section 35.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the convening authority is the Governor, he shall refer the record of courts-martial to the state judge advocate who shall submit his written opinion to the Governor. If the final action of the court has resulted in acquittal of all charges and specifications, the opinion shall be limited to questions of jurisdiction. After consideration of the opinion, the Governor's action on review of any record is final.

[(1) When the convening authority is the Governor, his action on the review of any record of trial shall be final.]

(2) (a) Except as provided in subsection (1), the convening authority may refer the record of a general court-martial to the staff judge advocate designated by the state judge advocate who shall submit his written opinion to the convening authority. If the final action of the court has resulted in an acquittal of all charges and specifications, the opinion shall be limited to ques-

tions of jurisdiction. When the convening authority has taken final action he shall forward the entire record, including his action thereon and the opinion of the staff judge advocate, to the state judge advocate for review.

(b) In a case reviewable by the state judge advocate under this section, the state judge advocate may act only with respect to the findings and sentence as approved by the convening authority. He may affirm only the findings of guilty, and the sentence or part or amount of the sentence, as he finds correct in law and fact and determined on the basis of the entire record, should be approved. In considering the record he may weigh the evidence, judge the credibility of witnesses and determine controverted questions of fact, recognizing that the trial court saw and heard the witnesses. If the state judge advocate sets aside the findings and sentence, he may, except where the setting aside is based on lack of sufficient evidence in the record to support the findings, order a rehearing. If he sets aside the findings and sentence and does not order a rehearing, he shall order that the charges be dismissed.

(c) The state judge advocate shall instruct the convening authority to act in accordance with his decision on the review. If he has ordered a rehearing, but the convening authority finds a rehearing impracticable, he may dismiss the charges.

[(2) In all other cases the following procedures shall apply:]

[(a) When the convening authority has taken final action in a general court-martial case, he shall forward the entire record, including his action thereon and the opinion or opinions of the staff judge advocate or legal officer, to the state judge advocate for review;]

[(b) Where the sentence of a special court-martial as approved by the convening authority includes a bad conduct discharge, whether or not suspended, the record shall be forwarded to the officer exercising general court-martial jurisdiction over the command, to be reviewed in the same manner as a record of trial by general court-martial. If the sentence as approved by an officer exercising general court-martial jurisdiction includes a bad conduct discharge, whether or not suspended, the entire record including his action thereon and the opinion

or opinions of the staff judge advocate or legal officer, shall be forwarded to the state judge advocate for review;]

[(c) All other special and summary court-martial records shall be forwarded to the state judge advocate of the National Guard or Active Militia and shall be acted upon, transmitted and disposed of as may be prescribed by regulations issued pursuant to this chapter.]

(3) Except as provided in subsection (1), the convening authority of any summary or special court-martial, after taking final action on review, shall forward the entire record, including his action thereon, to the staff judge advocate designated by the state judge advocate. The staff judge advocate has the duties and powers as provided for the state judge advocate in subsection (2) (b) and (c).

[(3) The state judge advocate shall review the record of trial in every case forwarded to him for review as provided in this section. If the sentence, as approved, affects a general officer or extends to the dismissal of any officer, the state judge advocate shall submit his written opinion thereon to the Governor. If the final action of the court-martial in any case forwarded to the state judge advocate has resulted in an acquittal of all charges and specifications, the opinion of the state judge advocate shall be limited to questions of jurisdiction.]

(4) The state judge advocate may order one or more boards of review each composed of not less than three commissioned officers of the National Guard or Active Militia, each of whom must be a member of the bar of the highest court of the state. Each board of review shall review the record of any trial by special court-martial, referred to it by the state judge advocate. Boards of review have the same authority on review as the state judge advocate has under this section.

[(4) In all cases reviewable by the state judge advocate which do not affect a general officer or extend to the dismissal of an officer, the state judge advocate shall take final action.]

[(5) In any case reviewable by the Governor where he is not the convening authority, and in any case reviewable by the state judge advocate, the Governor or the state judge advocate, as the case may be, shall have authority to:]

[(a) Act only with respect to the findings and sentence as approved by the convening authority;]

[(b) Affirm only such findings of guilty, and the sentence or such part or amount of the sentence as he finds correct in law and fact and determines on the basis of the entire record, should be approved;]

[(c) Weigh the evidence, judge the credibility of witnesses, and determine controverted questions of fact, recognizing that the trial court saw and heard the witnesses;]

[(d) Order a rehearing if he sets aside the findings and sentence, except where the setting aside is based on lack of sufficient evidence to support the findings;]

[(e) Order that the charges be dismissed if he sets aside the findings and sentence and does not order a rehearing.]

[(6) The state judge advocate shall, unless there is to be further action by the Governor, instruct the convening authority to take action in accordance with his decision on a review. If he has ordered a rehearing but the convening authority finds a rehearing impracticable, he may dismiss the charges.]

[(7) The state judge advocate may constitute one or more boards of review each composed of not less than three officers of the National Guard or Active Militia each of whom shall be a member of the bar of this state, which boards shall review the record of any trial by court-martial referred to it by the state judge advocate. Such boards of review shall have the same authority and powers on the review of a record as the state judge advocate has under the provisions of this section.]

Section 46. Section 35.335 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon the final review of a sentence of *any* [a general] court-martial [and of a sentence to a bad conduct discharge,] the accused shall have the right to be represented by counsel before the reviewing authority, the staff judge advocate [or legal officer, as the case may be,] and before the state judge advocate.

(2) Upon the request of an accused entitled to be so represented, the state judge advocate shall appoint a lawyer who is a member of the National Guard or Active Militia *and who has*

the qualifications prescribed in KRS 35.130, to represent the accused before the reviewing authority, the staff judge advocate, [or legal officer, as the case may be,] and before the state judge advocate, in the review of cases specified in subsection (1) of this section.

(3) An accused entitled to be so represented may be represented before the reviewing authority, the staff judge advocate [or legal officer, as the case may be,] and before the state judge advocate, by civilian counsel, if provided by him.

Section 47. Section 35.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) Prior to the vacation of the suspension of a [special] court-martial sentence [which, as approved, includes a bad conduct discharge, or of any general court-martial sentence,] the officer having [special] court-martial jurisdiction over the probationer shall hold a hearing on the alleged violation of probation. If he so desires the probationer shall be represented at such hearing either by counsel provided by him or by counsel provided for him at his request in the same manner as specified in KRS 35.335.

(2) The record of the hearing and the recommendations of the officer having [special] court-martial jurisdiction shall be forwarded for action to the *state judge advocate in cases involving a general court-martial sentence.* [officer exercising general court-martial jurisdiction over the probationer.] If he vacates the suspension, the vacation shall be effective to execute any unexecuted portion of the sentence. [except a dismissal. The vacation of the suspension of a dismissal shall not be effective until approved by the Governor.]

(3) The suspension of any other sentence may be vacated by any authority competent to convene, for the command in which the accused is serving or assigned, a court of the kind that imposed the sentence.

Section 48. Section 35.345 of the Kentucky Revised Statutes is amended to read as follows:

At any time within one year after approval by the convening authority of a court-martial sentence [which extends to dismissal, dishonorable or bad conduct discharge], the accused

may petition the Governor for a new trial on grounds of newly discovered evidence or fraud in the court-martial. The Governor shall act upon the petition.

Section 49. Section 35.350 of the Kentucky Revised Statutes is amended to read as follows:

(1) [The Governor may remit or suspend any part or amount of the unexecuted portion of any sentence, including all uncollected forfeitures.] The convening authority may remit or suspend any part or amount of the unexecuted portion of any sentence, including all uncollected forfeitures. [other than a sentence approved by the Governor.]

(2) The Governor may, for good cause, substitute an administrative form of discharge for a discharge or dismissal executed in accordance with the sentence of a court-martial.

Section 50. Section 35.355 of the Kentucky Revised Statutes is amended to read as follows:

(1) Under such regulations as may be prescribed pursuant to this chapter, all rights, privileges, and property affected by an executed portion of a court-martial sentence which has been set aside or disapproved, except an executed dismissal or discharge, shall be restored unless a new trial or rehearing is ordered and such executed portion is included in a sentence imposed upon the new trial or rehearing.

(2) Where a previously executed sentence of dishonorable or *other punitive* [bad conduct] discharge is not *imposed* [sustained] on a new trial, the *Governor* [Adjutant General] shall substitute therefor a form of discharge authorized for administrative issuance unless the accused is to serve out the remainder of his enlistment.

(3) Where a previously executed sentence of dismissal is not sustained on a new trial, the Adjutant General shall substitute therefor a form of discharge authorized for administrative issuance and the officer dismissed by such sentence may be reappointed by the Governor, only, to such commissioned rank and precedence as in the opinion of the Governor such former officer would have attained had he not been dismissed. The reappointment of such a former officer may be made provided a

position vacancy is available under applicable tables of organization. All time between the dismissal and such reappointment shall be considered as service for all purposes.

Section 51. Section 35.360 of the Kentucky Revised Statutes is amended to read as follows:

The proceedings, findings, and sentences of courts-martial as reviewed and approved, *as required by this code,* and all dismissals and discharges carried into execution pursuant to sentences by courts-martial following review and approval, *as required by this code,* shall be final. [and conclusive and] Orders publishing the proceedings of courts-martial and all actions taken pursuant to such proceedings shall be binding upon all departments, courts, agencies, and officers of the state, subject only to action upon a petition for a new trial as provided in KRS 35.345.

Section 52. Section 35.375 of the Kentucky Revised Statutes is amended to read as follows:

(1) Courts of inquiry to investigate any matter may be convened [by any person authorized to convene a general court-martial or by any other person designated] by the Governor [for that purpose whether or not the persons involved have requested such an inquiry].

(2) A court of inquiry shall consist of three or more officers. For each court of inquiry the convening authority shall also appoint counsel for the court.

(3) Any subject person whose conduct is subject to inquiry shall be designated as a party. Any subject person or person employed in the Military Department of the Commonwealth of Kentucky who has a direct interest in the subject of inquiry shall have the right to be designated as a party upon request to the court. Any person designated as a party shall be given due notice and shall have the right to be present, to be represented by counsel, to cross-examine witnesses, and to introduce evidence.

(4) Members of a court of inquiry may be challenged by a party, but only for cause stated to the court.

(5) The members, counsel, the reporter, and interpreters of courts of inquiry shall take an oath or affirmation to faithfully perform their duties.

(6) Witnesses may be summoned to appear and testify and be examined before courts of inquiry in like manner as provided for in courts-martial.

(7) Courts of inquiry shall make findings of fact but shall not express opinions or make recommendations unless required to do so by the convening authority.

(8) Each court of inquiry shall keep a record of its proceedings, which shall be authenticated by the signatures of the president and counsel for the court and forwarded to the convening authority. In case the record cannot be authenticated by the president it shall be signed by a member in lieu of the president and in case the record cannot be authenticated by the counsel for the court it shall be signed by a member in lieu of the counsel.

Section 53. Section 35.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) The following officers of the National Guard and Active Militia shall have power to administer oaths for the purposes of military administration, including military justice, and affidavits may be taken for such purposes before such officers:

(a) All judge advocates of the National Guard and Active Militia;

(b) All summary courts-martial;

(c) All adjutants, assistant adjutants, acting adjutants, and personnel adjutants;

(d) All staff judge advocates and acting or assistant staff judge advocates;

(e) All other persons designated by regulations issued pursuant to this chapter.

(2) The following officers of the National Guard or Active Militia shall have power to administer oaths necessary in the performance of their duties, and affidavits may be taken for such purposes before such officers:

(a) The president, *military judge,* [law officer,] trial counsel, and assistant trial counsel for all general and special courts-martial;

(b) The president and the counsel for the court of any court of inquiry;

(c) All officers designated to take a deposition;

(d) All persons detailed to conduct an investigation;

(e) All other persons designated by regulations issued pursuant to this chapter.

(3) The signature without seal of any person enumerated in subsections (1) and (2) of this section, together with the title of his office, shall be prima facie evidence of his authority.

Section 54. Section 35.385 of the Kentucky Revised Statutes is amended to read as follows:

KRS 35.015, 35.020, 35.035 through 35.070, 35.120, 35.130, 35.155, 35.185, 35.190, 35.275, 35.385, 35.390, 35.395, 35.440 through *35.680* [35.570] shall be carefully explained to every enlisted person at the time of his enlistment or induction into or when ordered to duty in or with any of the forces of the National Guard or Active Militia or within six days thereafter. They shall be explained again after he has completed six months service, and again at the time he re-enlists. A complete text of this code and of the regulations prescribed by the Governor thereunder shall, upon request, be made available to any member of the National Guard or Active Militia for his personal examination.

Section 55. Section 35.390 of the Kentucky Revised Statutes is amended to read as follows:

Any member of the National Guard or Active Militia who believes himself wronged by his commanding officer, and, upon [due] application to such commander, is refused redress, may complain to any superior officer who shall forward the complaint to the *Governor through the Adjutant General; the Governor, after investigation, shall take such measures as he deems proper.* [officer exercising general court-martial jurisdiction over the officer against whom it is made. That officer shall examine into said complaint and take proper measures for redressing the wrong complained of, and he shall, as soon as possible, transmit to the Adjutant General a true statement of such complaint with the proceedings had thereon.]

Section 56. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

No person may be tried or punished for any offense under

KRS 35.440 to 35.680 unless it was committed while he was in a duty status, except for the offense of failure to obey an order to report for state active duty under KRS 35.491.

Section 57. Section 35.445 of the Kentucky Revised Statutes is amended to read as follows:

An accused may be found guilty of an offense necessarily included in the offense charged or of an attempt to commit either the offense charged or of an offense necessarily included therein[.], *but not both.*

Section 58. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who conspires with any other person to commit an offense under this code shall, if one or more of the conspirators does an act to effect the object of the conspiracy, be punished as a court-martial directs.

Section 59. Section 35.455 of the Kentucky Revised Statutes is amended to read as follows:

Any subject person who, in a judicial proceeding or course of justice, willfully and corruptly gives, upon a lawful oath or in any form allowed by law to be substituted for an oath, any false testimony material to the issue or matter of inquiry is guilty of perjury *and shall be punished as a court-martial directs.*

Section 60. Section 35.460 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member of the National Guard or Active Militia who is found guilty of any of the following conduct is guilty of desertion:

(a) Without proper authority goes or remains absent from his place of service, organization, or place of duty with intent to remain away therefrom permanently;

(b) Quits his unit or organization or place of duty with intent to avoid hazardous duty or to shirk important service; or

(c) Without being regularly separated from one of the forces of the National Guard or Active Militia enlists or accepts an appointment in the same or another one of the forces of the National Guard or Active Militia without fully disclosing the fact he has not been so regularly separated.

(2) Any officer of the National Guard or Active Militia, who having tendered his resignation and prior to due notice of the acceptance of the same, quits his post or proper duties without leave and with intent to remain away therefrom permanently is guilty of desertion.

(3) Any person found guilty of desertion or attempt to desert shall be punished as a court-martial directs.

Section 61. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code shall be punished as a court-martial directs when he, without authority:

(1) Fails to go to his appointed place of duty at the time prescribed; or

(2) Goes from that place; or

(3) Absents himself or remains absent from his unit, organization or place of duty at which he is required to be at the time prescribed.

Section 62. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who through neglect or design misses the movement of a ship, aircraft or unit with which he is required in the course of duty to move shall be punished as a court-martial directs.

Section 63. Section 35.465 of the Kentucky Revised Statutes is amended to read as follows:

Any person subject to this code shall be punished as a court-martial directs when he:

(1) [Any subject person, who,] With intent to usurp or override lawful military authority, refuses, in concert with any other person or persons, to obey orders or otherwise do his duty or creates any violence or disturbance is guilty of mutiny.

(2) [Any subject person, who,] With intent to cause the overthrow or destruction of lawful civil authority, creates, in concert with any other person or persons, revolt, violence, or other disturbance against such authority is guilty of sedition.

(3) [Any subject person who] Fails to do his utmost to prevent and suppress an offense of mutiny or sedition being committed in his presence, or fails to take all reasonable means to inform his superior or commanding officer of an offense of mutiny or sedition which he knows or has reason to believe is taking place, is guilty of a failure to suppress or report a mutiny or sedition.

Section 64. Section 35.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any subject person who solicits or advises another or others to desert in violation of KRS 35.460 and 35.470, or mutiny in violation of KRS 35.465 and 35.470, shall [, if the offense solicited or advised is attempted or committed, be punished with the punishment provided for the commission of the offense, but if the offense solicited or advised is not committed or attempted, he shall] be punished as a court-martial may direct.

(2) Any person subject to this code who solicits or advises another to commit an act of misbehavior before the enemy or any hostile force in violation of KRS 35.600 or sedition in violation of KRS 35.465 shall be punished as a court-martial directs.

Section 65. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person shall be punished as a court-martial directs when he:

(1) Procures his own enlistment or appointment in the National Guard or Active Militia by knowingly false representation or deliberate concealment as to his qualifications for that enlistment or appointment and receives pay or allowances thereunder; or

(2) Procures his own separation from the National Guard or Active Militia by knowingly false representation or deliberate concealment as to his eligibility for that separation.

Section 66. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who effects an enlistment or appointment in or a separation from the National Guard or Active

Militia of any person who is known to him to be ineligible for that enlistment, appointment or separation because it is prohibited by law, regulation or order shall be punished as a court-martial directs.

Section 67. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who uses contemptuous words against the President or the Governor which may detrimentally effect the morale or effectiveness of any unit of the National Guard or Active Militia shall be punished as a court-martial directs.

Section 68. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code shall be punished as a court-martial directs when he:

(1) Strikes his superior commissioned officer or draws or lifts up any weapon or offers any violence against him while he is in the execution of his office; or

(2) Willfully disobeys a lawful command of his superior commissioned officer.

Section 69. Section 35.485 of the Kentucky Revised Statutes is amended to read as follows:

Any person subject to this code shall be punished as a court-martial directs, when he, without proper authority: sells or otherwise disposes of, willfully or through neglect, damages, destroys or loses or willfully or through neglect suffers to be damaged, destroyed, sold or wrongfully disposed of any military property of the United States or of the state.

[(1) All subject persons shall secure all public property in their possession, custody, or control.]

[(2) Any subject person who fails to carry out the duties prescribed in subsection (1) of this section, or who buys, sells, trades, or in any way deals in or disposes of public property, whereby he shall receive or expect any profit, benefit, or advantage to himself or another directly or indirectly connected with himself, shall be punished as a court-martial may direct.]

Section 70. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code shall be punished as a court-martial directs when he knowingly violates or fails to obey any lawful order or regulation, including an order to report for state active duty.

Section 71. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who is guilty of cruelty toward, or oppression or maltreatment of, any person subject to his orders, shall be punished as a court-martial directs.

Section 72. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who resists apprehension or breaks arrest or who escapes from physical restraint lawfully imposed shall be punished as a court-martial directs.

Section 73. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who, without proper authority, releases any prisoner committed to his charge, or who through neglect or design suffers any such prisoner to escape, shall be punished as a court-martial directs, whether or not the prisoner was committed in strict compliance with law.

Section 74. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who, except as provided by law or regulation, apprehends, arrests or confines any person shall be punished as a court-martial directs.

Section 75. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code shall be punished as a court-martial directs when he:

(1) Is responsible for unnecessary delay in the disposition of any case of a person accused of an offense under this code; or

(2) Knowingly and intentionally fails to enforce or comply with any provision of this code regulating the proceedings before, during or after trial of an accused.

Section 76. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code shall be punished as a court-martial directs when he, before or in the presence of the enemy or any hostile force;

(1) Runs away; or

(2) Shamefully abandons, surrenders or delivers up any command, unit, place or military property which it is his duty to defend; or

(3) Through disobedience, neglect or intentional misconduct endangers the safety of any such command, unit, place or military property; or

(4) Casts away his arms or ammunition; or

(5) Is guilty of cowardly conduct; or

(6) Quits his place of duty to plunder or pillage; or

(7) Causes false alarms in any command, unit or place under control of the armed forces of the United States or the National Guard or Active Militia; or

(8) Willfully fails to do his utmost to encounter, engage, capture or destroy any enemy troops, hostile forces, combatants, vessels, aircraft or any other thing, which it is his duty so to encounter, engage, capture or destroy; or

(9) Does not afford all practicable relief and assistance to any troops, combatants, vessels or aircraft of the armed forces belonging to the United States or their allies, to the state or to any other state, when engaged in battle.

Section 77. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who compels or attempts to compel the commander of any of the National Guard or Active Militia of the state, or of any other state, to give it up to an enemy or any hostile force or to abandon it or who strikes the

colors or flag to an enemy or any hostile force without proper authority, shall be punished as a court-martial directs.

Section 78. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who discloses the parole or countersign to any person not entitled to receive it, or who gives to another who is entitled to receive and use the parole or countersign a different parole or countersign from that which, to his knowledge, he was authorized and required to give, shall be punished as a court-martial directs.

Section 79. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who forces a safeguard shall be punished as a court-martial directs.

Section 80. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

(1) All persons subject to this code shall secure all property taken from the enemy or any hostile force and shall give notice and turn over to the proper authority without delay all captured or abandoned property in their possession, custody or control.

(2) Any person subject to this code shall be punished as a court-martial directs when he:

(a) Fails to carry out the duties prescribed in subsection (1); or

(b) Buys, sells, trades or in any way deals in or disposes of captured or abandoned property whereby he receives or expects any profit, benefit or advantage to himself or another directly or indirectly connected with himself; or

(c) Engages in looting or pillaging.

Section 81. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code shall be punished as a court-martial directs when he:

(1) Aids, or attempts to aid, the enemy or any hostile force with arms, ammunition supplies, money or other things; or

(2) Without proper authority, knowingly harbors or protects or gives intelligence to, or communicates or corresponds with or holds any intercourse with the enemy or any hostile force, either directly or indirectly.

Section 82. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code shall be punished as a court-martial directs when he, while in the hands of the enemy or any hostile force:

(1) For the purpose of securing favorable treatment by his captors, acts without proper authority in a manner contrary to law, custom or regulation, to the detriment of others held by the enemy or any hostile force as civilian or military prisoners; or

(2) While in a position of authority over prisoners maltreats them without justifiable cause.

Section 83. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who, with intent to deceive, signs any false record, return, regulation, order or other official document, knowing it to be false, or makes any other false official statement knowing it to be false, shall be punished as a court-martial directs.

Section 84. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who while in a duty status willfully or recklessly wastes, spoils or otherwise willfully and wrongfully destroys or damages any property other than military property of the United States or of the state shall be punished as a court-martial directs.

Section 85. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who operates any vehicle while drunk, or in a reckless or wanton manner, shall be punished as a court-martial directs.

Section 86. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who is found drunk on duty or sleeping upon his post, or who leaves his post before he is regularly relieved, shall be punished as a court-martial directs.

Section 87. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who fights or promotes, or is concerned in or connives at fighting a duel, or who having knowledge of a challenge sent or about to be sent, fails to report the fact promptly to the proper authority, shall be punished as a court-martial directs.

Section 88. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code shall be punished as a court-martial directs when he, for the purpose of avoiding work, duty or service in the National Guard or Active Militia:

(1) Feigns illness, physical disablement, mental lapse or derangement; or

(2) Intentionally inflicts self-injury.

Section 89. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any person subject to this code who causes or participates in any riot or breach of the peace shall be punished as a court-martial directs.

Section 90. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person subject to this code who wrongfully takes, obtains, or withholds by any means, from the possession of the owner or of any other person any money, personal property or articles of value of any kind;

(a) With intent permanently to deprive or defraud another person of the use and benefit of property or to appropriate it to his own use or the use of any person other than the owner, steals that property and is guilty of larceny; or

(b) With intent temporarily to deprive or defraud another person of the use and benefit of property or to appropriate it to his own use or the use of any person other than the owner, is guilty of wrongful appropriation.

(2) Any person found guilty of larceny or wrongful appropriation shall be punished as a court-martial directs.

Section 91. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Any commissioned officer who is convicted of conduct unbecoming an officer and a gentleman shall be punished as a court-martial directs.

Section 92. A new section of Chapter 35 of the Kentucky Revised Statutes is created to read as follows:

Though not specifically mentioned in this code, all disorders and neglects to the prejudice of good order and discipline in the National Guard or Active Militia and all conduct of a nature to bring discredit upon the National Guard or Active Militia, of which persons subject to this code may be guilty, shall be taken cognizance of by a general, special, or summary court-martial, according to the nature and degree of the offense, and shall be punished at the discretion of that court. However, cognizance may not be taken of and jurisdiction may not be extended to any offense which constitutes a felony under the laws of this state without a prior written waiver by the Commonwealth's attorney of the county where the alleged offense occurred.

Section 93. Sections 35.100, 35.290, 35.300, 35.365, 35.400, 35.435, 35.490, 35.495 through 35.560 and 35.570 of the Kentucky Revised Statutes are repealed.

The Committee on Appropriations and Revenue reported **HB 1** with Committee Amendment attached thereto, **HB 18** with Committee Substitute attached thereto, **HB 333**, and **SB 4** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 1, AN ACT relating to the motor vehicle usage tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 138.470 of the Kentucky Revised Statutes is amended to read as follows:

There is expressly exempted from the tax imposed by KRS 138.460:

(1) Motor vehicles sold to the United States, or to the Commonwealth of Kentucky or any of its political subdivisions;

(2) Motor vehicles sold to institutions of purely public charity and institutions of education not used or employed for gain by any person or corporation;

(3) Motor vehicles sold or transferred to licensed motor vehicles dealers for resale;

[(4) Motor vehicles sold or transferred to nonresident members of the armed forces on duty in this Commonwealth under orders from the United States Government;]

(4) [(5)] Commercial motor vehicles, excluding passenger vehicles having a seating capacity for nine persons or less, owned by nonresident owners and used primarily in interstate commerce and based in a state other than Kentucky which are required to be registered in Kentucky by reason of operational requirements or fleet proration agreements and are registered pursuant to KRS 186.145; [.]

(5) Motor vehicles transferred between husband and wife or parent and child;

(6) Motor vehicles transferred when a business changes its name and no other transaction has taken place or an individual changes his or her name;

(7) Motor vehicles transferred to a corporation from a proprietorship when the business is incorporated;

(8) Motor vehicles transferred by will, court order, or under the statutes covering descent and distribution of property;

(9) Motor vehicles transferred between a subsidiary corporation and its parent corporation when there is no considera-

tion, or nominal consideration, or in sole consideration of the cancellation or surrender of stock;

(10) The interest of a partner in a motor vehicle when other interests are transferred to him.

Section 2. Whereas, this Act corrects an inequity, an emergency is declared to exist, and this Act shall take effect immediately.

The Committee Amendment to **HB 1** is as follows:

Amend printed copy of House Bill 1 on page 2, lines 6 & 8, by: removing the bracket at the beginning of line 6 and at the end of line 8 and on line 9, by deleting "*(4)*" and removing the brackets from around "(5)"

and on line 16, by deleting "*(5)*" and inserting "*(6)*"

and on line 18, by deleting "*(6)*" and inserting "*(7)*"

and on line 21, by deleting "*(7)*" and inserting "*(8)*"

and on line 23, by deleting "*(8)*" and inserting "*(9)*"

and on line 25, by deleting "*(9)*" and inserting "*(10)*"

and on page 3, line 1, by deleting "*(10)*" and inserting "*(11)*"

HB 18, AN ACT relating to appropriations for the operation, maintenance, support, and functioning of the government of the Commonwealth of Kentucky and its various officers, departments, boards, commissions, institutions, subdivisions, agencies, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART ONE
GENERAL FUND

There is appropriated out of the General Expenditure Fund for the fiscal year ended June 30, 1970, and, including any unappropriated surplus to the General Expenditure Fund as of June 30, 1970, for the fiscal year beginning July 1, 1970, and ending June 30, 1971, and, including any unappropriated surplus to the General Expenditure Fund as of June 30, 1971, for the fiscal

year beginning July 1, 1971, and ending June 30, 1972, the following sums for the following officers, departments, boards, commissions, institutions, subdivisions, and agencies of the State Government, and any and all other activities of the government of the Commonwealth of Kentucky subject to the provisions of Chapters 12, 42, and 45 of the Kentucky Revised Statutes, for which a specific appropriation is in Part One listed as follows:

I. GENERAL GOVERNMENT

1. EXECUTIVE DEPARTMENT

A. *Governor's Office.*

1970-71 ..... $384,520
1971-72 ..... $398,230

B. *Advisory Commission on Intergovernmental Relations.*

1970-71 ..... $ 1,000
1971-72 ..... $ 1,000

C. *Kentucky Program Development Office.*

1970-71 ..... $810,910
1971-72 ..... $849,840

D. *State Planning Committee.*

1970-71 ..... $800,000
1971-72 ..... $800,000

For costs of conducting state planning studies which shall be approved by the State Planning Committee and the Commissioner of Finance. Portions of the above appropriations may be transferred to other departments for the purpose of matching other funds available from any other sources for planning studies. Provided, however, that not less than $300,000 of the above appropriations for each year of the biennium shall be used for research and technical assistance to the state's Area Development Districts.

E. *Infant and Early Childhood Development Project.*

1970-71 ..... $ 50,000
1971-72 ..... $ 50,000

To be expended for the state matching share of the Infant and Early Childhood Development Project.

TOTAL–EXECUTIVE DEPARTMENT
1970-71 ..... $2,046,430
1971-72 ..... $2,099,070

2. LIEUTENANT GOVERNOR
1970-71 ..... $148,610
1971-72 ..... $154,080

3. TREASURER
1970-71 ..... $510,830
1971-72 ..... $532,000

4. AUDITOR OF PUBLIC ACCOUNTS
1970-71 ..... $210,000
1971-72 ..... $220,000

For expenses of Auditor of Public Accounts incident to all audits of the various agencies, institutions, and units of State Government.

5. SECRETARY OF STATE

A. *General Operations.*
1970-71 ..... $177,000
1971-72 ..... $181,000

B. *Restoration of Land Grant Books.*
1970-71 ..... $ 10,000
1971-72 ..... $ 10,000

TOTAL–SECRETARY OF STATE
1970-71 ..... $187,000
1971-72 ..... $191,000

6. BOARD OF ELECTIONS
1970-71 ..... $427,460
1971-72 ..... $430,650

Any election expenses in excess of the above amounts shall be deemed necessary governmental expenses.

7. REGISTRY OF ELECTION FINANCE

1970-71 ..... $40,400
1971-72 ..... $41,600

8. DEPARTMENT OF FINANCE

A. *General Operations.*

1970-71 ..... $4,446,170
1971-72 ..... $4,589,880

B. *Maintenance of Buildings.*

1970-71 ..... $ 50,000
1971-72 ..... $ 50,000

C. *State Computer Systems Improvement.*

1970-71 ..... $200,000
1971-72 ..... $200,000

D. *Council of Economic Advisers.*

1970-71 ..... $ 25,000
1971-72 ..... $ 25,000

For the administrative expenses and research activities of the Council.

TOTAL—DEPARTMENT OF FINANCE

1970-71 ..... $4,721,170
1971-72 ..... $4,864,880

9. DEPARTMENT OF REVENUE

A. *General Operations.*

1970-71 ..... $7,056,000
1971-72 ..... $7,306,000

B. *Reappraisals.*

1970-71 ..... $ 250,000
1971-72 ..... $ 250,000

Any unexpended balance remaining at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year.

C. *Property Valuation Administrators.*

1970-71 ..... $3,011,000
1971-72 ..... $3,190,000

Any expenses in excess of the above amounts shall be deemed necessary governmental expenses.

TOTAL—DEPARTMENT OF REVENUE

1970-71 ..... $10,317,000
1971-72 ..... $10,746,000

---

10. DEPARTMENT OF PERSONNEL

1970-71 ..... $744,360
1971-72 ..... $784,910

Notwithstanding the provisions of KRS 18.330, the above appropriations are to be used for the pro-rata cost of administering a merit system of personnel administration for the civil service of the Commonwealth for all departments, commissions, boards, or other agencies which receive support from the General Expenditure Fund or Revolving Trust and Agency Funds. Said appropriations may also be used for special training programs approved by the Commissioner of Finance.

---

11. DEPARTMENT OF PUBLIC INFORMATION

1970-71 ..... $1,766,280
1971-72 ..... $1,971,090

The sum of $136,000 from the appropriation for the 1970-71 fiscal year, and $136,000 for the 1971-72 fiscal year may be used for the cooperative advertising program to encourage and assist local agencies in the promotion of tourist attractions. The department may make matching grants not to exceed fifty percent (50%) to local governments and agencies for such purpose.

---

12. COMMISSION ON WOMEN

1970-71 ..... $ 25,520
1971-72 ..... $ 26,640

---

13. CONSUMER AFFAIRS COMMISSION

1970-71 ..... $ 5,000
1971-72 ..... $ 5,000

---

14. CAPITAL PLAZA AUTHORITY

A. *Authority Staff.*

1970-71 ..... $ 25,600
1971-72 ..... $ 26,130

B. *General Operations of Plaza Complex.*

1970-71 ..... $ 94,210
1971-72 ..... $ 687,870

C. *Debt Service.*

1970-71 ..... $3,478,390
1971-72 ..... $2,881,240

TOTAL—CAPITAL PLAZA AUTHORITY

1970-71 ..... $3,598,200
1971-72 ..... $3,595,240

TOTAL—GENERAL GOVERNMENT

1970-71 ..... $24,748,260
1971-72 ..... $25,662,160

II. LAW AND JUSTICE

15. JUDICIARY

A. *Court of Appeals.*

1970-71 ..... $589,690
1971-72 ..... $597,510

B. *State Law Library.*

1. General Operations

1970-71 ..... $ 61,040
1971-72 ..... $ 65,360

2. Statutory Publications

1970-71 ..... $ 42,000

Any unexpended balance remaining at the close of the 1970-71 fiscal year for statutory publications shall not lapse, but shall continue into the 1971-72 fiscal year.

C. *Clerk of Court of Appeals.*
1970-71 ---------- $103,680
1971-72 ---------- $ 89,270

D. *Circuit Judges.*
1970-71 ---------- $1,579,940
1971-72 ---------- $1,581,120

Any expenses in excess of the above amounts shall be deemed necessary governmental expenses.

E. *Judicial Retirement System.*
1971-72 ---------- $1,100,000

TOTAL—JUDICIARY
1970-71 ---------- $2,376,350
1971-72 ---------- $3,433,260

16. BOARD OF TAX APPEALS
1970-71 ---------- $ 59,620
1971-72 ---------- $ 60,240

17. DEPARTMENT OF LAW
1970-71 ---------- $454,190
1971-72 ---------- $478,290

18. DEPARTMENT OF MILITARY AFFAIRS

A. *General Operations.*
1970-71 ---------- $756,400
1971-72 ---------- $777,490

B. *Armory Maintenance.*
1970-71 ---------- $ 80,000
1971-72 ---------- $ 80,000

TOTAL—DEPARTMENT OF MILITARY AFFAIRS
1970-71 ---------- $836,400
1971-72 ---------- $857,490

19. DEPARTMENT OF PUBLIC SAFETY

A. *General Operations.*
1970-71 ---------- $10,954,320
1971-72 ---------- $12,314,520

Including an increase of twenty-five (25) troopers in the 1970-71 fiscal year, and an additional increase of forty (40) troopers in the 1971-72 fiscal year.

B. *Aid to Local Fire Departments.*
1970-71 ..... $100,000
1971-72 ..... $100,000

TOTAL—DEPARTMENT OF PUBLIC SAFETY
1970-71 ..... $11,054,320
1971-72 ..... $12,414,520

20. DEPARTMENT OF CORRECTIONS

A. *General Operations.*
1970-71 ..... $7,709,000
1971-72 ..... $7,972,000

B. *Building Maintenance.*
1970-71 ..... $ 80,000
1971-72 ..... $ 80,000

TOTAL—DEPARTMENT OF CORRECTIONS
1970-71 ..... $7,789,000
1971-72 ..... $8,052,000

21. COMMISSION ON LAW ENFORCEMENT AND CRIME PREVENTION
1970-71 ..... $ 43,760
1971-72 ..... $ 44,030

22. LAW ENFORCEMENT COUNCIL
1970-71 ..... $ 50,000
1971-72 ..... $ 50,000

TOTAL—LAW AND JUSTICE
1970-71 ..... $22,663,640
1971-72 ..... $25,389,830

III. EDUCATION

23. DEPARTMENT OF EDUCATION

A. *Central Administration.*
1970-71 ..... $2,201,130
1971-72 ..... $2,346,320

In the event the Guidance, Counseling, and Testing Program in the Bureau of Pupil Personnel is not funded by Federal grants, the Commissioner of Finance, with the approval of the Governor, may increase the appropriation for Central Administration, by an amount not to exceed $160,000, provided that such amount is available in General Fund surplus, to fund the program at the continuation level as determined by the Commissioner of Finance.

B. *School Foundation Program.*

1970-71 ..... $229,517,550
1971-72 ..... $231,304,460

Accumulated earnings of the Common School Fund shall each fiscal year be transferred to the School Foundation Program.

The amount to be included for the 1970-71 and 1971-72 school years in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following schedule, for a term of 185 days, for each rank:

Rank	I	II	III	IV	V
Experience					
0-3 Years	$6,130	$5,680	$5,230	$2,900	$2,600
4-9 Years	$7,030	$6,580	$6,130	$2,900	$2,600
10 Years & Over	$7,550	$7,100	$6,650	$2,900	$2,600

No working budget or salary schedule shall be approved in which the average salary paid any rank of teachers is not at least equivalent to the allotment for that rank, or in which any teacher is paid less than ninety-five percent (95%) of the Foundation Program allotment for that rank, except where there is a decline in local revenue of the district concerned after it has levied the maximum ad valorem property tax rate permitted by law. Any such reduction permitted shall be only for the amount of the decline in local revenue.

In the event any local board of education contends there has been a decline in local tax resources in that district, the State

Board of Education shall certify such contention to the Department of Revenue. Said department shall then determine whether or not there has in fact been a decline in local tax resources of such district, and, if so, the amount of such decline. The Department of Revenue shall then certify its determination to the State Board of Education, and said Board shall accept such certified determination as final.

The allotment to any school district of classroom units, pursuant to KRS 157.360 (1), shall not exceed the number of teachers employed by that school district.

Entitlement for basic classroom units obtained in schools of one classification shall not be allocated to schools of another classification. For the purposes of determining such entitlement, classification shall be as follows:

(1) One-teacher schools;

(2) Schools, other than one-teacher schools, with less than one hundred pupils in average daily attendance; and

(3) Schools, other than one-teacher schools, with more than one hundred pupils in average daily attendance.

In the determination of allotments pursuant to KRS 157.360 (2), there shall not be allotted a full classroom unit for any non-isolated one-teacher school with fewer than 27 pupils in average daily attendance, or for any isolated one-teacher school which has fewer than 12 pupils in average daily attendance.

Allotments, provision for which is made under this Act, for classroom units pursuant to KRS 157.360 (4) and (5) shall be as follows:

	1970-71	1971-72
Vocational Education	1,525	1,535
Exceptional Children (Including Mental Retardation)	1,060	1,060

Provided, however, that if classroom units in either category prove to be excessive, the surplus not to exceed fifty (50) such classroom units may be reallocated to the other category by the Superintendent of Public Instruction, upon approval of the State Board of Education and the Commissioner of Finance.

Allotments for classroom units pursuant to KRS 157.360 (6) shall only be for those personnel enumerated under said subsection who are qualified for their respective positions under applicable provisions of law and regulations, and who maintain programs which have been approved pursuant to applicable regulations.

The amount to be included in the Foundation Program for other current expenses shall be determined by multiplying $1,400 by the number of classroom units.

The amount to be included in the Foundation Program for capital outlay shall be determined by multiplying $1,200 by the number of classroom units.

In accordance with the intent of KRS 162.060 and 162.160, no space shall be rented, purchased, or otherwise acquired and thereafter converted to classroom use without prior approval of the Superintendent of Public Instruction. The State Board of Education may adopt regulations for the approval on an annual basis of temporary facilities for the housing of school children; provided, however, that no existing room shall be divided by partitions of nonstructural materials. No classroom units shall be allotted for a second teacher in the same classroom. No facilities shall be approved for classroom use which are detrimental to the health of or dangerous to the safety of school children.

If a school district operates any school or grade of a school for a term of less than nine and one-quarter (9¼) scholastic months or for a school day of less than the minimum required by KRS 158.060, the average daily attendance of such school shall be reduced proportionately by the Superintendent of Public Instruction in determining the allotment of classroom units pursuant to KRS 157.400 and applicable regulations.

Notwithstanding the provisions of KRS 157.400, any undistributed balance in the Foundation Program fund at the end of the fiscal years 1969-70 and 1970-71 shall lapse to the General Fund. Notwithstanding the provisions of KRS 156.650, no unexpended portions of the Foundation Program fund shall be expended at any time for the purpose of KRS 156.610 through 156.650.

The total appropriation for the Foundation Program shall be

measured by or construed as estimates of the state expenditures required by KRS 157.310, et. seq. If the required expenditures exceed these estimates, the Commissioner of Finance, with approval of the Governor, may increase the appropriation by such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the hereinabove cited sections of the Kentucky Revised Statutes; provided, however, that any such increase, or the total appropriation to the Foundation Program, is subject to the provisions of paragraph 9 of Part Four, General Provisions, of this Act, and the provisions of KRS 45.160.

C. *Vocational Education—Administration.*

1970-71 ..... $ 744,160
1971-72 ..... $ 895,870

D. *Vocational Education—Operations.*

1970-71 ..... $9,307,320
1971-72 ..... $9,723,820

For general operation of State Area Schools, State Area School Extension Centers, and grants-in-aid to local educational agencies supported by direct appropriations of the General Assembly.

E. *Rehabilitation.*

1970-71 ..... $ 900,000
1971-72 ..... $1,110,000

Any unexpended balance not to exceed $20,000 which remains at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year.

F. *Free Textbooks.*

1970-71 ..... $2,800,000
1971-72 ..... $2,900,000

For the purchase of textbooks in accordance with KRS 157.100, et. seq., and applicable regulations. Any unexpended balance remaining at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year.

G. *Out-of-District Children.*
1970-71 ..... $ 388,000
1971-72 ..... $ 418,000

Any unexpended balance remaining at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year.

H. *School for the Deaf.*
1970-71 ..... $ 904,610
1971-72 ..... $1,067,360

I. *School for the Blind.*
1970-71 ..... $ 576,250
1971-72 ..... $ 605,310

J. *Industries for the Blind.*
1970-71 ..... $ 89,500
1971-72 ..... $ 92,500

K. *Educational Television Debt Service.*
1970-71 ..... $ 631,000
1971-72 ..... $ 711,000

TOTAL—DEPARTMENT OF EDUCATION
1970-71 ..... $248,059,520
1971-72 ..... $251,174,640

---

24. COMMITTEE FOR SCHOOL DISTRICT AUDITS
1970-71 ..... $106,600
1971-72 ..... $110,660

---

25. TEACHERS' RETIREMENT SYSTEM
1970-71 ..... $20,412,700
1971-72 ..... $23,906,350

For administering and complying with the obligations of the state under the Teachers' Retirement Act as provided in KRS 161.220 to 161.710.

---

26. EDUCATIONAL TELEVISION AUTHORITY
1970-71 ..... $1,918,000
1971-72 ..... $1,942,000

---

27. DEPARTMENT OF LIBRARIES

A. *General Operations.*

1970-71 ..... $1,657,716
1971-72 ..... $1,699,176

B. *Construction Grants.*

1970-71 ..... $226,484
1971-72 ..... $226,484

TOTAL—DEPARTMENT OF LIBRARIES

1970-71 ..... $1,884,200
1971-72 ..... $1,925,660

28. ARTS COMMISSION

1970-71 ..... $147,860
1971-72 ..... $149,660

29. HERITAGE COMMISSION

1970-71 ..... $ 29,370
1971-72 ..... $ 30,380

30. HISTORICAL SOCIETY

1970-71 ..... $208,010
1971-72 ..... $214,450

31. COUNCIL ON PUBLIC HIGHER EDUCATION

A. *General Operations.*

1970-71 ..... $104,250
1971-72 ..... $115,440

B. *Special Studies.*

1970-71 ..... $ 60,000

Any unexpended balance remaining at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year.

C. *Southern Regional Education Board.*

1970-71 ..... $172,800
1971-72 ..... $174,600

D. *Veterinary Medicine Training Program with Ohio State University.*

1970-71 ----------$ 16,200
1971-72 ----------$ 27,000

TOTAL—COUNCIL ON PUBLIC HIGHER EDUCATION

1970-71 ----------$353,250
1971-72 ----------$317,040

---

32. HIGHER EDUCATION ASSISTANCE AUTHORITY

1970-71 ----------$172,500
1971-72 ----------$172,500

---

33. UNIVERSITY OF KENTUCKY

1970-71 ----------$57,430,000
1971-72 ----------$61,590,000

---

34. EASTERN KENTUCKY UNIVERSITY

1970-71 ----------$11,787,818
1971-72 ----------$13,271,518

---

35. WESTERN KENTUCKY UNIVERSITY

1970-71 ----------$13,287,127
1971-72 ----------$14,980,024

---

36. MOREHEAD STATE UNIVERSITY

1970-71 ----------$7,948,082
1971-72 ----------$8,900,408

---

37. MURRAY STATE UNIVERSITY

1970-71 ----------$8,491,473
1971-72 ----------$9,462,550

---

38. KENTUCKY STATE COLLEGE

A. *General Operations.*

1970-71 ----------$2,835,500
1971-72 ----------$3,035,500

B. *Capital Plaza Rent.*

1970-71 ..... $ 132,000
1971-72 ..... $ 132,000

For payment of Debt Service on the Civic Center Building in accordance with the trust indenture for the Capital Plaza Project.

TOTAL—KENTUCKY STATE COLLEGE

1970-71 ..... $2,967,500
1971-72 ..... $3,167,500

---

39. NORTHERN KENTUCKY STATE COLLEGE

1970-71 ..... $ 850,000
1971-72 ..... $1,100,000

---

40. UNIVERSITY OF LOUISVILLE

1970-71 ..... $4,100,000
1971-72 ..... $4,100,000

---

41. LINCOLN SCHOOL

1970-71 ..... $845,040
1971-72 ..... $899,410

TOTAL—EDUCATION

1970-71 ..... $380,999,050
1971-72 ..... $397,414,750

IV. HEALTH AND SOCIAL SERVICES

42. ECONOMIC SECURITY

A. *Administration.*

1970-71 ..... $8,427,000
1971-72 ..... $8,710,000

In the event that any portion of this appropriation in either fiscal year is deemed to be surplus to the needs of the department, such amount, with the approval of the Commissioner of Finance, may be used for Public Assistance Benefits and Services to the needy in accordance with the provisions of the statutes

governing the functions and activities of the Department of Economic Security.

B. *Public Assistance Benefits and Services.*

1969-70 ..... $ 4,326,000
1970-71 ..... $43,559,000
1971-72 ..... $49,196,000

For benefits and services to the needy, in accordance with the provisions of the statutes governing the functions and activities of the Department of Economic Security. No part of this appropriation shall be used for the costs of administration.

All medical assistance vendor statements for services rendered as a result of bona fide claims for public assistance medical care may be paid in the fiscal year in which such statements are received by the paying agency.

TOTAL—DEPARTMENT OF ECONOMIC SECURITY

1969-70 ..... $ 4,326,000
1970-71 ..... $51,986,000
1971-72 ..... $57,906,000

---

43. COMMISSION ON AGING

1970-71 ..... $ 75,000
1971-72 ..... $ 75,000

---

44. DEPARTMENT OF MENTAL HEALTH

A. *General Operations.*

1970-71 ..... $22,542,000
1971-72 ..... $25,729,000

B. *Building Maintenance.*

1970-1971 ..... $150,000
1971-1972 ..... $150,000

TOTAL—DEPARTMENT OF MENTAL HEALTH

1970-71 ..... $22,692,000
1971-72 ..... $25,879,000

---

45. COMMISSION FOR HANDICAPPED CHILDREN

1970-71 ..... $1,652,000
1971-72 ..... $1,675,000

All medical assistance vendor statements for services rendered as a result of bona fide claims for medical care may be paid in the fiscal year in which such statements are received by the paying agency.

46. DEPARTMENT OF HEALTH

1970-71 ..... $7,722,000
1971-72 ..... $7,698,000

47. DEPARTMENT OF CHILD WELFARE

A. *General Operations.*

1970-71 ..... $7,940,000
1971-72 ..... $8,813,000

For general operations including Pine Mountain Boys' Camp, Green River Boys' Camp, and Northern Kentucky Reception and Diagnostic Center.

B. *Building Maintenance.*

1970-71 ..... $ 60,000
1971-72 ..... $ 60,000

C. *Commission on Children and Youth.*

1970-71 ..... $ 59,000
1971-72 ..... $ 63,000

TOTAL—DEPARTMENT OF CHILD WELFARE

1970-71 ..... $8,059,000
1971-72 ..... $8,936,000

48. COMMISSION ON HUMAN RIGHTS

1970-71 ..... $248,600
1971-72 ..... $257,100

49. TUBERCULOSIS HOSPITAL COMMISSION

A. *General Operations.*

1970-71 ..... $4,947,000
1971-72 ..... $5,122,000

B. *Building Maintenance.*

1970-71 ..... $ 50,000
1971-72 ..... $ 50,000

TOTAL—TUBERCULOSIS HOSPITAL COMMISSION

1970-71 ..... $4,997,000
1971-72 ..... $5,172,000

TOTAL—HEALTH AND SOCIAL SERVICES

1969-70 ..... $ 4,326,000
1970-71 ..... $ 97,431,600
1971-72 ..... $107,598,100

V. RESOURCES DEVELOPMENT

50. DEPARTMENT OF PARKS

1970-71 ..... $6,000,000
1971-72 ..... $7,200,000

51. BREAKS INTERSTATE PARK COMMISSION

1970-71 ..... $120,000
1971-72 ..... $120,000

For matching funds appropriated by the Commonwealth of Virginia relating to construction, maintenance, and operations at the Breaks Interstate Park. This appropriation is contingent upon an appropriation by the Commonwealth of Virginia adequate to match this amount on an equal basis; provided, however, that appropriations to date shall be considered cumulatively, and any deficit in appropriations by this state may be removed.

52. DEPARTMENT OF COMMERCE

A. *General Operations.*

1970-71 ..... $1,175,365
1971-72 ..... $1,216,880

B. *Geological Projects.*

1970-71 ..... $853,875
1971-72 ..... $922,170

TOTAL—DEPARTMENT OF COMMERCE
1970-71 ..... $2,029,240
1971-72 ..... $2,139,050

53. SCIENCE AND TECHNOLOGY COMMISSION
1970-71 ..... $ 54,290
1971-72 ..... $ 54,290

54. DEPARTMENT OF LABOR
1970-71 ..... $435,660
1971-72 ..... $453,840

55. DEPARTMENT OF NATURAL RESOURCES
1970-71 ..... $2,635,910
1971-72 ..... $2,736,510

Not less than $60,000 of the appropriation for each fiscal year shall be set aside for emergency forest fire suppression. Any unexpended balance of this amount remaining at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year. Any expenditure for emergency fire suppression in excess of the amount available in either fiscal year is hereby declared to be a necessary governmental expense; provided, however, that an emergency situation shall have been declared to exist by the Governor.

56. DEPARTMENT OF MINES AND MINERALS
1970-71 ..... $572,600
1971-72 ..... $631,200

57. STATE FAIR BOARD

A. *General Operations.*
1970-71 ..... $450,000
1971-72 ..... $450,000

B. *Building Maintenance.*
1970-71 ..... $100,000
1971-72 ..... $300,000

For expenditure in accordance with the provisions of Chapter 56 of the Kentucky Revised Statutes.

TOTAL—STATE FAIR BOARD
1970-71 ..... $550,000
1971-72 ..... $750,000

58. DEPARTMENT OF AGRICULTURE

A. *General Operations.*
1970-71 ..... $2,413,224
1971-72 ..... $2,833,809

B. *Meat Inspection.*
1970-71 ..... $678,736
1971-72 ..... $778,621

TOTAL—DEPARTMENT OF AGRICULTURE
1970-71 ..... $3,091,960
1971-72 ..... $3,612,430

TOTAL—RESOURCES DEVELOPMENT
1970-71 ..... $15,489,660
1971-72 ..... $17,697,320

VI. TRANSPORTATION

59. DEPARTMENT OF AERONAUTICS
1970-71 ..... $1,342,050
1971-72 ..... $2,030,230

60. RAILROAD COMMISSION
1970-71 ..... $ 38,340
1971-72 ..... $ 40,980

TOTAL—TRANSPORTATION
1970-71 ..... $1,380,390
1971-72 ..... $2,071,210

VII. BUSINESS REGULATION

61. DEPARTMENT OF MOTOR TRANSPORTATION

1970-71 ----------$100,000
1971-72 ----------$105,000

For operation of the Motor Vehicle Dealers' Board and the Mobile Home Dealers' Board.

---

62. DEPARTMENT OF INSURANCE

1970-71 ----------$630,170
1971-72 ----------$701,990

---

63. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

1970-71 ----------$431,260
1971-72 ----------$462,940

---

64. OCCUPATIONS AND PROFESSIONS REGULATION

Kentucky Athletic Commission.

1970-71 ----------$ 22,500
1971-72 ----------$ 22,500

TOTAL—BUSINESS REGULATION

1970-71 ----------$1,183,930
1971-72 ----------$1,292,430

VIII. MISCELLANEOUS

65. COUNTY COSTS

1970-71 ----------$4,800,000
1971-72 ----------$4,800,000

All County Costs are deemed to be necessary governmental expenses and additional funds may be allotted from surplus by the Commissioner of Finance.

---

66. APPROPRIATIONS NOT OTHERWISE CLASSIFIED

A. *Back Tax Collections.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

B. *Board of Claims Awards.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

For the payment of awards or judgments made by the Board of Claims against departments, boards, commissions, and other agencies maintained by appropriations out of the General Fund; provided, however, that awards under $500 in cases where the operating department admits negligence shall be paid from funds available for the operations of such department.

C. *Judgments.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

For payment of such judgments as may be rendered against the Commonwealth by order of Court; provided, however, that such payments shall be approved in advance by the Attorney General.

D. *Prior Year Claims.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

E. *Unredeemed Checks Refunded.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

Checks written by the State Treasurer and not cashed within the statutory period may be presented directly to the State Treasurer for reissuance in accordance with the provisions of KRS 41.370.

F. *Confederate Pensions.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

G. *Blanket Employee Surety Bonds.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

For payment of premiums on blanket surety bonds as provided by KRS 62.170.

H. *Social Security for Circuit Clerks, Master Commissioners, and Court Reporters.*
1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

I. *Retirement — Circuit Clerks, Master Commissioners, Court Reporters, and Assistant Commonwealth Attorneys.*
1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

J. *Franklin Circuit Court.*
1970-71 ----------$ 300
1971-72 ----------$ 300

For purchase of supplies and equipment in accordance with KRS 28.165.

K. *Frankfort Planning Commission.*
1970-71 ----------$ 1,000
1971-72 ----------$ 1,000

L. *Frankfort Cemetery.*
1970-71 ----------$ 1,000
1971-72 ----------$ 1,000

M. *Public Improvements.*
1970-71 ----------$ 40,000
1971-72 ----------$ 40,000

For paying assessments for public improvements against property owned by the State, and for which said assessments the State is deemed to be liable.

N. *Money Refunded.*
1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

For refunding money paid into the State Treasury, which may be later determined not to be a lawful collection by the State. No money shall be refunded, however, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and with the approval of the Commissioner of Finance and the Attorney General.

TOTAL–APPROPRIATIONS NOT OTHERWISE CLASSIFIED

1970-71 ..... $ 42,300
1971-72 ..... $ 42,300

---

67. DEBT SERVICE

A. *Veterans' Bonus Debt Service.*

1970-71 ..... $7,835,855
1971-72 ..... $7,815,117

For the principal and interest on bonds issued to pay veterans' bonuses.

B. *Parks Debt Service.*

1970-71 ..... $556,180
1971-72 ..... $556,100

For the principal and interest on general obligation parks bonds.

C. *1965 General Obligation Debt Service.*

1970-71 ..... $2,060,630
1971-72 ..... $2,049,305

For the principal and interest on 1965 general obligation bonds.

TOTAL–DEBT SERVICE

1970-71 ..... $10,452,665
1971-72 ..... $10,420,522

---

68. CAPITAL CONSTRUCTION

A. *Northern Kentucky State College.*

1970-71 ..... $300,000
1971-72 ..... $300,000

For construction of new facilities and land acquisition.

B. *Miscellaneous Construction and Repairs.*

1970-71 ..... $ 500,000
1971-72 ..... $2,915,000

For general construction, maintenance, repairs, and improvements of state facilities. All Capital Construction Appropriations shall be expended in accordance with the provisions of Chapter 56 of the Kentucky Revised Statutes. All monies transferred to the Department of Finance for capital construction from other appropriations shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Department of Finance for capital construction.

If at the end of any fiscal year the monies and securities to the credit of the State Fire and Tornado Insurance Fund exceed $2,000,000, and if conditions with respect to life and fire safety regarding state properties are such as not to require the expenditure of all excess funds for improvements to said conditions, then the Commissioner of Finance, with the concurrence of the Commissioner of Insurance, shall determine the amount of such excess not so required and may authorize its transfer to the Capital Construction Fund, for expenditure in accordance with the provisions of Chapter 56 of the Kentucky Revised Statutes.

TOTAL—CAPITAL CONSTRUCTION

1970-71 ..... $ 800,000

1971-72 ..... $3,215,000

---

69. GENERAL CONTINGENCY FUND

1970-71 ..... $1,000,000

1971-72 ..... $1,000,000

For meeting expenses deemed necessary by the Governor, and to be expended by the Governor, in his discretion, for any emergency or other contingency that he may determine requires the expenditure of any part of said fund. Any unexpended balance at the close of 1970-71 fiscal year shall continue into 1971-72.

TOTAL—MISCELLANEOUS

1970-71 ..... $17,094,965

1971-72 ..... $19,477,822

PART TWO
STATE ROAD FUND

There is established for the purpose of paying all costs of operation and maintenance of the Department of Highways and for carrying on its activities and functions, a State Road Fund which shall consist of all the revenues realized from fees, taxes, license fees levied for state road purposes now authorized by law, and any additional or other revenues, grants or funds, including any amount which may be received from Federal aid, bond funds, or any other source pursuant to the provisions of KRS 177.030, made available for the construction or reconstruction of public roads or for any other of the activities administered by the Department of Highways. Such receipts and revenues, together with any balance in the existing State Road Fund as of June 30, 1970, and June 30, 1971, shall constitute the State Road Fund for the fiscal years 1970-71 and 1971-72. There is appropriated from the State Road Fund the following amounts for the following departments or agencies of the State Government, for the following purposes:

I. HIGHWAYS

1. DEPARTMENT OF HIGHWAYS

General Operations. For use by the Department in its activities, functions and duties performed by it as prescribed by law, all monies received and placed to the credit of the State Road Fund, not otherwise appropriated in this or any other Act; provided, however, that an annual budget for each fiscal year shall be submitted by the Department of Highways as required by Part Two, Section III of this Act.

---

2. RURAL HIGHWAYS

A. *County Road Aid.* For construction, reconstruction, improvement, and maintenance of county roads and bridges, the sum of $13,000,000 for fiscal year 1970-71 and $13,000,000 for fiscal 1971-72. This appropriation is to be expended in accordance with the provisions of KRS 179.410 through 179.430.

B. *Rural Secondary Roads.* For the construction, reconstruction, and maintenance of rural and secondary roads, two-

sevenths of all revenue received under the provisions of KRS 138.220 and 138.565, shall be expended in accordance with KRS 177.320. This appropriation is in addition to the amount appropriated under Section 1, subsection 2, Paragraph A, of Part Two of the Appropriation Act. These funds shall be distributed in accordance with the formula prescribed by the provisions of KRS 177.360.

II. APPROPRIATIONS TO AGENCIES OTHER THAN HIGHWAYS

3. DEPARTMENT OF TREASURY

1970-71 ----------$ 10,000
1971-72 ----------$ 10,000

For the expenses pertaining to treasury administration for the Department of Highways.

---

4. DEPARTMENT OF FINANCE

1970-71 ----------$ 10,000
1971-72 ----------$ 10,000

For expenses pertaining to financial administration for the Department of Highways.

---

5. DEPARTMENT OF PERSONNEL

1970-71 ----------$ 10,000
1971-72 ----------$ 10,000

Notwithstanding any provisions of KRS 18.330 to the contrary, this appropriation is for the pro-rata cost of administering a merit system of personnel administration for the civil service of the Commonwealth for the Department of Highways.

---

6. DEPARTMENT OF REVENUE

1970-71 ----------$ 10,000
1971-72 ----------$ 10,000

For administering and enforcing the laws pertaining to the gasoline, motor fuels, and any other taxes comprising the State Road Fund, and for administering and enforcing the laws relating

to motor vehicle registration and other laws relating to motor vehicles and highways.

---

7. DEPARTMENT OF PUBLIC SAFETY

1970-71 ..... $215,000
1971-72 ..... $220,000

For expenses of the Department of Public Safety incidental to the administration and enforcement of motor vehicle registration laws, motor vehicle operators licensing laws, and other laws relating to highways.

---

8. DEPARTMENT OF COMMERCE

1970-71 ..... $177,125
1971-72 ..... $177,125

For expenses arising from geological projects pertaining to the acquisition of data used in highway planning and construction.

---

9. DEPARTMENT OF MOTOR TRANSPORTATION

1970-71 ..... $1,281,705
1971-72 ..... $1,281,705

For administering and enforcing the motor vehicle carrier laws.

---

10. DEPARTMENT OF PUBLIC INFORMATION

1970-71 ..... $ 10,000
1971-72 ..... $ 10,000

For expenses of the Division of Advertising and Production incident to the preparation, publication, and distribution of road maps, booklets, photographs, advertisements, and other activities intended to advertise and publicize Kentucky highways and highway conditions, tourist, scenic and travel attractions, and places of interest to motorists.

TOTAL—APPROPRIATIONS TO AGENCIES OTHER THAN HIGHWAYS

1970-71 ..... $1,723,830
1971-72 ..... $1,728,830

III. ADMINISTRATION AND EFFECT

The Department of Highways shall submit an annual budget for each fiscal year to the Department of Finance for approval by the Commissioner of Finance immediately before the fiscal year begins. The budget shall be based upon the most current State Road Fund revenue estimates, surplus, and contractual and noncontractual Federal aid for which the Department will be eligible during the fiscal year.

The appropriations made by this Act are subject to the provisions of Chapters 12, 42, and 45 of the Kentucky Revised Statutes except where additional requirements are imposed by this Act. Nothing in this Act shall be construed to repeal any appropriation to the State Road Fund for the fiscal year ending June 30, 1970.

PART THREE
TRUST AND AGENCY FUNDS

There is appropriated to the various officers, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1971, and for the fiscal year ending June 30, 1972, all of the fees (which include fees for board and room, athletics, and student activities) and rentals, admittances, sales, bonds proceeds, licenses collected by law, gifts, subventions, Federal grants and other Federal funds received, contributions, and other miscellaneous receipts produced or received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Revolving or Trust and Agency Fund out of which shall be established separate Revolving or Trust and Agency Fund accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized.

In the event receipts received and credited to any Revolving

or Trust and Agency Fund Account during fiscal year 1970-71 or fiscal year 1971-72 and any balance forwarded to the credit of any such account from the previous fiscal year exceed the appropriation made by specific sum to said account in this Part of this Act, the excess is appropriated to the credit of said account for the fiscal year in which the excess occurs; provided, however, that with the exception of Federal grants and other Federal funds received, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Budget Director and approval of the Commissioner of Finance.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Revolving or Trust and Agency Fund account, through the Department of Finance, during the fiscal year ending June 30, 1971, and during the fiscal year ending June 30, 1972, all receipts placed to the credit of the Revolving or Trust and Agency Fund for such year out of which has been established a Revolving or Trust and Agency Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Department of Finance. On or before the beginning of each fiscal year, each agency shall submit to the Department of Finance schedules showing estimated receipts and estimated expenditures by quarterly period.

I. GENERAL GOVERNMENT

1. EXECUTIVE

A. *Kentucky Program Development Office.*

B. *State Planning Committee.*

C. *Infant and Early Childhood Development Project.*

2. AUDITOR OF PUBLIC ACCOUNTS

1970-71	$ 85,802
1971-72	$ 96,345

3. SECRETARY OF STATE

Notwithstanding the provisions of KRS 271.055 and KRS 271.121, all the operating receipts from all activities of the office of the Secretary of State shall be deposited in the State Treasury to the credit of the General Expenditure Fund.

4. BOARD OF ELECTIONS

1970-71	$ 92,000
1971-72	$ 92,000

5. DEPARTMENT OF FINANCE

A. *Paper Revolving Fund.*

B. *Division of Services Revolving Fund.* For providing stamps and postage, supplies, equipment, and utility services for the various budget units of State Government; provided, however, that said budget units shall make reimbursement for same.

C. *Central Stores Revolving Fund.* For purchasing supplies and services for the various budget units of State Government; provided, however, that said budget units shall make reimbursement for same.

D. *Central Stores Administration.* For payment of all costs of the administration and operation of a Central Stores for State Government.

E. *Maintenance and Operations Fund.* For expenses of maintaining and operating office buildings.

F. *Duplicating Revolving Fund.* For the duplicating services provided to the various budget units of State Government; provided, however, that said budget units shall make reimbursement on the basis of cost.

G. *Capital Construction.* All real estate rentals, sales, and other receipts including balances brought forward as provided in Chapter 56 of the Kentucky Revised Statutes.

H. *Division of Purchases.* For reproduction of documents and testing of commodities.

I. *Division of Properties.*

6. DEPARTMENT OF PERSONNEL

1970-71 ..... $118,400
1971-72 ..... $149,400

7. PUBLIC INFORMATION

8. STATE AND COUNTY RETIREMENT SYSTEM

1970-71 ..... $330,710
1971-72 ..... $390,480

9. CAPITAL PLAZA AUTHORITY

II. LAW AND JUSTICE

10. BOARD OF BAR EXAMINERS

1970-71 ..... $ 32,350
1971-72 ..... $ 34,180

11. DEPARTMENT OF MILITARY AFFAIRS

Notwithstanding the provisions of KRS 45.140, any balance remaining in the Adjutant General's and/or the Repairs to Armory Trust and Agency accounts at the end of each fiscal year shall lapse in accordance with the provisions of KRS 45.230.

12. DEPARTMENT OF PUBLIC SAFETY

1970-71 ..... $1,307,761
1971-72 ..... $1,088,637

Notwithstanding the provisions of KRS 234.160 and KRS 236.130, all monies collected by the Division of Fire Prevention shall be paid into the General Expenditure Fund.

13. DEPARTMENT OF CORRECTIONS

A. *Central Office.*

B. *Penal Institutions.*

C. *Prison Industries.*

14. COMMISSION ON LAW ENFORCEMENT AND CRIME PREVENTION

15. LAW ENFORCEMENT COUNCIL

III. EDUCATION

16. DEPARTMENT OF EDUCATION

A. *Central Administration.*

1970-71 ..... $ 1,757,760
1971-72 ..... $ 1,775,190

B. *Vocational Education—Administration.*

1970-71 ..... $ 744,000
1971-72 ..... $ 680,560

C. *Vocational Education—Operations.*

1970-71 ..... $18,852,740
1971-72 ..... $21,507,830

D. *Rehabilitation.*

1970-71 ..... $10,617,360
1971-72 ..... $12,352,880

E. *School Food Services.*

F. *National Defense Education Act—Grants.*

G. *Elementary and Secondary Education Act—Grants.*

H. *OASI Disability Determinations.*

I. *School for the Deaf.*

J. *School for the Blind.*

K. *Industries for the Blind.*

17. ADVISORY COUNCIL FOR VOCATIONAL EDUCATION AND MANPOWER DEVELOPMENT AND TRAINING

18. TEACHERS' RETIREMENT SYSTEM

19. EDUCATIONAL TELEVISION AUTHORITY

20. DEPARTMENT OF LIBRARIES

1970-71	$442,962
1971-72	$418,510

21. ARTS COMMISSION

22. HERITAGE COMMISSION

23. HISTORICAL SOCIETY

1970-71	$ 52,215
1971-72	$ 59,335

24. HIGHER EDUCATION

A. *Council on Public Higher Education.*

B. *Commission on Higher Education.*

C. *University of Kentucky.*

D. *Eastern Kentucky University.*

E. *Western Kentucky University.*

F. *Morehead State University.*

G. *Murray State University.*

H. *Kentucky State College.*

I. *Northern Kentucky State College.*

J. *University of Louisville.*

25. LINCOLN SCHOOL

IV. HEALTH AND SOCIAL SERVICES

26. DEPARTMENT OF ECONOMIC SECURITY

27. COMMISSION ON AGING

28. DEPARTMENT OF MENTAL HEALTH

1970-71 ..... $2,895,646
1971-72 ..... $3,075,443

29. COMMISSION FOR HANDICAPPED CHILDREN

1970-71 ..... $1,378,000
1971-72 ..... $1,403,000

30. DEPARTMENT OF HEALTH

31. DEPARTMENT OF CHILD WELFARE

A. *General Operations.*

1970-71 ..... $1,724,000
1971-72 ..... $1,715,000

B. *Commission on Children and Youth.*

32. COMMISSION ON HUMAN RIGHTS

33. TUBERCULOSIS HOSPITAL COMMISSION

1970-71 ..... $897,000
1971-72 ..... $905,000

V. RESOURCES DEVELOPMENT

34. DEPARTMENT OF PARKS

1970-71 ..... $8,096,550
1971-72 ..... $8,481,300

35. INDUSTRIAL DEVELOPMENT FINANCE AUTHORITY

1970-71 ..... $153,540
1971-72 ..... $154,660

36. DEPARTMENT OF COMMERCE

1970-71 ..... $184,535
1971-72 ..... $177,000

37. DEPARTMENT OF LABOR

A. *Workmen's Compensation Board.*

1970-71 ..... $7,001,784
1971-72 ..... $7,802,001

For the general operations of the Workmen's Compensation Board and the Division of Occupational Safety; and for administrative services provided to the board, an amount not to exceed seventy-five percent (75%) of the total costs of the Division of Research and Statistics and the Division of Fiscal and Personnel Services.

B. *Special Fund.*

---

38. DEPARTMENT OF NATURAL RESOURCES

A. *Forestry.*

1970-71 ..... $939,523
1971-72 ..... $942,900

B. *Water.*

C. *Strip Mining and Reclamation.*

1970-71 ..... $376,110
1971-72 ..... $381,727

---

39. DEPARTMENT OF MINES AND MINERALS

1970-71 ..... $ 82,415
1971-72 ..... $ 43,570

---

40. STATE FAIR BOARD

---

41. DEPARTMENT OF AGRICULTURE

A. *General Operations.*

1970-71 ..... $ 8,500
1971-72 ..... $ 8,500

B. *Weights and Measures.*

1970-71 ..... $ 7,500
1971-72 ..... $ 7,500

C. *Meat Inspection.*

1970-71 ----------$663,800
1971-72 ----------$766,200

D. *Markets.*

1970-71 ----------$ 43,100
1971-72 ----------$ 43,100

E. *Pest and Weed Control.*

1970-71 ----------$ 66,500
1971-72 ----------$ 31,500

F. *Milk Marketing Commission.*

G. *Egg Law.*

H. *Dog Law.*

42. DEPARTMENT OF FISH AND WILDLIFE RESOURCES

VI. TRANSPORTATION

43. DEPARTMENT OF AERONAUTICS

VII. BUSINESS REGULATION

44. DEPARTMENT OF INSURANCE

Notwithstanding any provisions of KRS 304.463 to the contrary, the following receipts only are authorized to be placed to the credit of the Trust and Agency Fund and are authorized for expenditure out of the Trust and Agency Fund. All other receipts collected during the 1970-71 and 1971-72 fiscal years shall be placed to the credit of the General Expenditure Fund.

A. *Custodian of Securities.* All sums paid for expenses under the provisions of KRS 304.503.

B. *Insurance Examiners Expense.* All fees paid pursuant to the provisions of KRS 304.035. (Notwithstanding the provisions of KRS 304.035 to the contrary, any amount unexpended at the end of the 1969-70 fiscal year and each fiscal year there-

after in excess of $10,000 shall lapse to the General Expenditure Fund.)

C. *Fire and Tornado Insurance Fund.*

---

45. DEPARTMENT OF BANKING

A. *Division of Banking.*

1970-71 ---------- $450,060
1971-72 ---------- $470,250

B. *Division of Securities.*

1970-71 ---------- $ 92,900
1971-72 ---------- $ 97,200

All unexpended balances in excess of $100,000 remaining in the Trust and Agency Fund of the Department of Banking and Securities at the close of the 1969-70 fiscal year and the 1970-71 fiscal year shall lapse to the General Expenditure Fund. Receipts of the Department during the fiscal year 1970-71 and fiscal year 1971-72 shall be available for expenditure from the Trust and Agency Fund.

---

46. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

A. *Confiscation Expenses.*

1970-71 ---------- $ 5,000
1971-72 ---------- $ 5,000

---

47. PUBLIC SERVICE COMMISSION

1970-71 ---------- $544,280
1971-72 ---------- $593,720

---

48. OCCUPATIONS AND PROFESSIONS REGULATION

A. *Board of Accountancy.*

B. *Board of Psychology.*

C. *Board of Examiners and Registration of Architects.*

D. *Board of Barber and Cosmetologist Examiners.*

E. *Board of Chiropractic Examiners.*

F. *Board of Dental Examiners.*

G. *Board of Embalmers and Funeral Directors.*

H. *Board of Pharmacy.*

I. *Board of Nursing.*

J. *Board of Veterinary Examiners.*

K. *Board of Professional Engineers.*

L. *Real Estate Commission.*

M. *Board of Optometric Examiners.*

N. *Board of Podiatry.*

O. *Board of Opthalmic Dispensers.*

P. *Board of Watchmaking.*

Q. *Board of Physical Therapy.*

R. *Board of Business Schools.*

S. *Board of Auctioneers.*

VIII. MISCELLANEOUS

49. COUNTY FEES

A. *Jefferson County Master Commissioners.*

B. *Jefferson County Receiver.*

C. *County Fees for the following counties:* Jefferson, Kenton, Fayette, and Campbell.

For paying the various officials of each county enumerated, seventy-five percent (75%) of the fees provided by law to be paid, by the State, to these officials when their claims for fees have been presented to the Department of Finance in the form and manner prescribed by law and approved by the Commissioner of Finance, and to pay to the Fiscal Court of each of said counties twenty-five percent (25%) of said fees as required by KRS 64.350.

---

50. TRUCK LICENSES–COUNTY SHARE

A. *Truck Licenses–County Share.* There shall be credited to this fund for the purpose of distribution to counties such portion of truck license fees as is provided by law, at such time as the Department of Finance may order.

51. COUNTY COSTS

A. *Commonwealth Attorneys' Expense Accounts.*

B. *County Attorneys' Expense Accounts.*

C. *County Judges' Expense Accounts.*

PART FOUR
GENERAL PROVISIONS

1. Nothing in this Act shall be construed to repeal any appropriation made hereinbefore or hereinafter for the fiscal year ending June 30, 1970, and nothing in this Act is to be construed as amending or altering the provisions of Chapter 42 of the Kentucky Revised Statutes pertaining to the duties and powers of the Commissioner of Finance. All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which such appropriation may be expended shall be decided by the Commissioner of Finance in accordance with the detailed estimates embodied in the budget report, and supporting work papers, as considered by the General Assembly, and the decision of the Commissioner of Finance shall be final and conclusive.

2. The Commissioner of Finance is authorized to establish a system or formula or combination of both for pro-rating the administrative costs of the Departments of Personnel, Finance, Treasury, and Law relative to the administration of programs in which there is joint participation by the State and Federal Governments for the purpose of receiving the maximum amount of participation permitted under the appropriate Federal laws and regulations governing such programs. Any reimbursements re-

ceived from Federal funds under this system or formula shall accrue to the General Expenditure Fund and any system or formula for the proration shall be developed pursuant to the provisions of KRS 18.330.

3. Notwithstanding any other provisions of this Act, the appropriations to agencies receiving both a General Fund and a Road Fund appropriation shall be considered one appropriation for the purposes of administration of this Act, and the rates of General Fund-Road Fund appropriations may be adjusted, by the Commissioner of Finance with approval of the Commissioner of Highways, within the total authorized appropriation for any agency.

4. Notwithstanding any provisions of the Kentucky Revised Statutes to the contrary, the University of Kentucky, Eastern Kentucky University, Western Kentucky University, Morehead State University, Murray State University, Kentucky State College, Northern Kentucky State College, and the University of Louisville are hereby authorized and empowered, with the approval of the Commissioner of Finance, to utilize funds available from any appropriated source, for the purpose of cooperating to the fullest extent possible with Federal agencies in such programs as may be proposed by the Federal Government involving the use of Federal funds for educational purposes, programs, and buildings in conjunction with the colleges and universities.

5. In enacting this Appropriation Act, it is the deliberate intention of the General Assembly to enact each section, and each subsection thereof, as a separate and/or specific appropriation and law, and if any section, any subsection, or any provision thereof shall be held invalid, or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.

6. All continuing appropriations in existence at the time this Act takes effect are discontinued and repealed by this Act, notwithstanding any provisions of the Kentucky Revised Statutes to the contrary, except as provided by Chapters 12, 42, 45, 56, 177, and 341 of the Kentucky Revised Statutes. All laws and portions of laws in conflict with any of the provisions of the above enactment, to the extent of such conflict, are hereby repealed.

7. All funds which accrue to the General Fund as recorded in the official records of the Department of Finance on June 30, 1971, as a result of surplus in excess of the estimate of $2,588,015, may be transferred to the School Foundation Program for teacher salary improvements in an amount not to exceed $9,000,000 upon recommendation of the Commissioner of Finance and written approval of the Governor.

8. In the event any funds are made available to the Commonwealth in either fiscal year of the 1970-72 Biennium from the Federal Government as a result of revenue-sharing measures, which may be enacted by the U. S. Congress, one half of such funds are appropriated to the Department of Public Safety for upgrading law enforcement programs in the Commonwealth, and the remaining funds are appropriated to the Department of Health for air and water pollution control programs.

9. WHEREAS, the finances of the Commonwealth cannot be ascertained with absolute certainty at this time, and since the actual needs of each officer, department, board, commission, institution, agency, or other activity or subdivision of the State Government can only be anticipated and not finally determined by the General Assembly, and since the total amount of revenue accruing to the General Expenditure Fund and to the General Road Fund from which these appropriations are made can only be anticipated through existing laws and those that may hereinafter be enacted, it is the purpose and intention of this Act that the expenditures for each fiscal year under Part One of this Act shall not exceed the total financial resources anticipated to accrue to the General Expenditure Fund and that the expenditures for each fiscal year under Part Two of this Act shall not exceed the total financial resources anticipated to accrue to the General Road Fund for the same fiscal year respectively. As the conditions cannot be fully determined until after the adjournment of the 1970 General Assembly, and as the needs of each officer, department, board, agency, commission, institution, subdivision, or other activity of the State Government and the total financial resources accruing to the General Expenditure Fund and the General Road Fund cannot be fully determined at this time, it is the intention and the purpose of this General Assembly that the Commissioner of Finance with the advice of the Com-

missioner of Revenue and the approval of the Governor of the Commonwealth, is authorized, empowered, and directed to ascertain and determine the needs of each officer, department, board, commission, institution, subdivision, agency, or other activity of State Government, and to ascertain the total financial resources anticipated to accrue to the General Expenditure Fund and General Road Fund of the Commonwealth, and upon the ascertainment and determination of said facts, he, the Commissioner of Finance, in the manner set forth and as provided by general law, is authorized, empowered, and directed by the General Assembly to prevent an overdraft or deficit in any fiscal year for which appropriations are herein made, by equitably reducing, according to need, without discrimination, the appropriations herein made in Part One and Part Two to any officer, department, board, commission, institution, subdivision, agency, or other activity of the State Government; provided, however, that the power vested shall not permit any reduction of the appropriation of any officer, department, board, commission, institution, subdivision, agency, or other activity of the State Government that will actually impair the necessary constitutional functions of any such agency or activity, the operations and functions of which are determined to be necessary constitutional functions of government.

HOUSE APPROPRIATIONS AND REVENUE COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 18

HB 18, AN ACT relating to appropriations for the operation, maintenance, support, and functioning of the government of the Commonwealth of Kentucky and its various officers, departments, boards, commissions, institutions, subdivisions, agencies, and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART ONE
GENERAL FUND

There is appropriated out of the General Expenditure Fund for the fiscal year ended June 30, 1970, and, including any unap-

propriated surplus to the General Expenditure Fund as of June 30, 1970, for the fiscal year beginning July 1, 1970, and ending June 30, 1971, and, including any unappropriated surplus to the General Expenditure Fund as of June 30, 1971, for the fiscal year beginning July 1, 1971, and ending June 30, 1972, the following sums for the following officers, departments, boards, commissions, institutions, subdivisions, and agencies of the State Government, and any and all other activities of the government of the Commonwealth of Kentucky subject to the provisions of Chapters 12, 42, and 45 of the Kentucky Revised Statutes, for which a specific appropriation is in Part One listed as follows:

I. GENERAL GOVERNMENT

1. EXECUTIVE DEPARTMENT

A. *Governor's Office.*

1970-71 ----------$384,520
1971-72 ----------$398,230

B. *Advisory Commission on Intergovernmental Relations.*

1970-71 ----------$ 1,000
1971-72 ----------$ 1,000

C. *Kentucky Program Development Office.*

1970-71 ----------$810,910
1971-72 ----------$849,840

D. *State Planning Committee.*

1970-71 ----------$800,000
1971-72 ----------$800,000

For costs of conducting state planning studies which shall be approved by the State Planning Committee and the Commissioner of Finance. Portions of the above appropriations may be transferred to other departments for the purpose of matching other funds available from any other sources for planning studies. Provided, however, that not less than $300,000 of the above appropriations for each year of the biennium shall be used for research and technical assistance to the state's Area Development Districts.

E. *Infant and Early Childhood Development Project.*

1970-71 ..... $ 50,000
1971-72 ..... $ 50,000

To be expended for the state matching share of the Infant and Early Childhood Development Project.

TOTAL—EXECUTIVE DEPARTMENT

1970-71 ..... $2,046,430
1971-72 ..... $2,099,070

---

2. LIEUTENANT GOVERNOR

1970-71 ..... $148,610
1971-72 ..... $154,080

---

3. TREASURER

1970-71 ..... $470,830
1971-72 ..... $492,000

---

4. AUDITOR OF PUBLIC ACCOUNTS

1970-71 ..... $210,000
1971-72 ..... $220,000

For expenses of Auditor of Public Accounts incident to all audits of the various agencies, institutions, and units of State Government.

---

5. SECRETARY OF STATE

A. *General Operations.*

1970-71 ..... $177,000
1971-72 ..... $181,000

B. *Restoration of Land Grant Books.*

1970-71 ..... $ 10,000
1971-72 ..... $ 10,000

TOTAL—SECRETARY OF STATE

1970-71 ..... $187,000
1971-72 ..... $191,000

---

6. BOARD OF ELECTIONS

1970-71 ----------$427,460
1971-72 ----------$430,650

Any election expenses in excess of the above amounts shall be deemed necessary governmental expenses.

---

7. REGISTRY OF ELECTION FINANCE

1970-71 ----------$40,400
1971-72 ----------$41,600

---

8. DEPARTMENT OF FINANCE

A. *General Operations.*
1970-71 ----------$4,256,170
1971-72 ----------$4,399,880

B. *Maintenance of Buildings.*
1970-71 ----------$ 50,000
1971-72 ----------$ 50,000

C. *State Computer Systems Improvement.*
1970-71 ----------$ 200,000
1971-72 ----------$ 200,000

D. *Council of Economic Advisers.*
1970-71 ----------$ 25,000
1971-72 ----------$ 25,000

For the administrative expenses and research activities of the Council.

TOTAL—DEPARTMENT OF FINANCE

1970-71 ----------$4,531,170
1971-72 ----------$4,674,880

---

9. DEPARTMENT OF REVENUE

A. *General Operations.*
1970-71 ----------$6,746,000
1971-72 ----------$6,996,000

B. *Reappraisals.*

1970-71 ..... $ 250,000
1971-72 ..... $ 250,000

Any unexpended balance remaining at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year.

C. *Property Valuation Administrators.*

1970-71 ..... $3,011,000
1971-72 ..... $3,190,000

Any expenses in excess of the above amounts shall be deemed necessary governmental expenses.

TOTAL—DEPARTMENT OF REVENUE

1970-71 ..... $10,007,000
1971-72 ..... $10,436,000

---

10. DEPARTMENT OF PERSONNEL

1970-71 ..... $575,560
1971-72 ..... $616,110

Notwithstanding the provisions of KRS 18.330, the above appropriations are to be used for the pro-rata cost of administering a merit system of personnel administration for the civil service of the Commonwealth for all departments, commissions, boards, or other agencies which receive support from the General Expenditure Fund or Revolving Trust and Agency Funds. Said appropriations may also be used for special training programs approved by the Commissioner of Finance.

---

11. DEPARTMENT OF PUBLIC INFORMATION

1970-71 ..... $1,526,280
1971-72 ..... $1,631,090

The sum of $136,000 from the appropriation for the 1970-71 fiscal year, and $136,000 for the 1971-72 fiscal year may be used for the cooperative advertising program to encourage and assist local agencies in the promotion of tourist attractions. The department may make matching grants not to exceed fifty percent (50%) to local governments and agencies for such purpose.

12. CONSUMER AFFAIRS COMMISSION

1970-71 ..... $ 5,000
1971-72 ..... $ 5,000

13. CAPITAL PLAZA AUTHORITY

A. *Authority Staff.*
1970-71 ..... $ 25,600
1971-72 ..... $ 26,130

B. *General Operations of Plaza Complex.*
1970-71 ..... $ 94,210
1971-72 ..... $ 687,870

C. *Debt Service.*
1970-71 ..... $3,478,390
1971-72 ..... $2,881,240

TOTAL—CAPITAL PLAZA AUTHORITY

1970-71 ..... $3,598,200
1971-72 ..... $3,595,240

TOTAL—GENERAL GOVERNMENT

1970-71 ..... $23,773,940
1971-72 ..... $24,586,720

II. LAW AND JUSTICE

14. JUDICIARY

A. *Court of Appeals.*
1970-71 ..... $589,690
1971-72 ..... $597,510

B. *State Law Library.*
1. General Operations
1970-71 ..... $ 61,040
1971-72 ..... $ 65,360

2. Statutory Publications

1970-71 ----------$ 42,000

Any unexpended balance remaining at the close of the 1970-71 fiscal year for statutory publications shall not lapse, but shall continue into the 1971-72 fiscal year.

C. *Clerk of Court of Appeals.*

1970-71 ----------$103,680

1971-72 ----------$ 89,270

D. *Circuit Judges.*

1970-71 ----------$1,579,940

1971-72 ----------$1,581,120

Any expenses in excess of the above amounts shall be deemed necessary governmental expenses.

E. *Judicial Retirement System.*

1971-72 ----------$1,100,000

TOTAL—JUDICIARY

1970-71 ----------$2,376,350

1971-72 ----------$3,433,260

---

15. BOARD OF TAX APPEALS

1970-71 ----------$ 59,620

1971-72 ----------$ 60,240

---

16. DEPARTMENT OF LAW

1970-71 ----------$439,190

1971-72 ----------$463,290

---

17. DEPARTMENT OF MILITARY AFFAIRS

A. *General Operations.*

1970-71 ----------$756,400

1971-72 ----------$777,490

B. *Armory Maintenance.*

1970-71 ----------$ 80,000
1971-72 ----------$ 80,000

TOTAL–DEPARTMENT OF MILITARY AFFAIRS

1970-71 ----------$836,400
1971-72 ----------$857,490

---

18. DEPARTMENT OF PUBLIC SAFETY

A. *General Operations.*

1970-71 ----------$ 9,334,320
1971-72 ----------$11,194,520

Including an increase of twenty-five (25) troopers in the 1970-71 fiscal year, and an additional increase of forty (40) troopers in the 1971-72 fiscal year.

B. *Aid to Local Fire Departments.*

1970-71 ----------$100,000
1971-72 ----------$200,000

TOTAL–DEPARTMENT OF PUBLIC SAFETY

1970-71 ----------$ 9,434,320
1971-72 ----------$11,394,520

---

19. DEPARTMENT OF CORRECTIONS

A. *General Operations.*

1970-71 ----------$7,709,000
1971-72 ----------$7,972,000

B. *Maintenance of Buildings.*

1970-71 ----------$ 80,000
1971-72 ----------$ 80,000

TOTAL–DEPARTMENT OF CORRECTIONS

1970-71 ----------$7,789,000
1971-72 ----------$8,052,000

20. COMMISSION ON LAW ENFORCEMENT AND CRIME PREVENTION

1970-71 ----------$1,043,760
1971-72 ----------$1,044,030

21. LAW ENFORCEMENT COUNCIL

1970-71 ----------$ 50,000
1971-72 ----------$ 50,000

TOTAL—LAW AND JUSTICE

1970-71 ----------$22,028,640
1971-72 ----------$25,354,830

III. EDUCATION

22. DEPARTMENT OF EDUCATION

A. *Central Administration.*

1970-71 ----------$2,201,130
1971-72 ----------$2,221,320

In the event the Guidance, Counseling, and Testing Program in the Bureau of Pupil Personnel is not funded by Federal grants, the Commissioner of Finance, with the approval of the Governor may increase the appropriation for Central Administration, by an amount not to exceed $160,000, provided that such amount is available in General Fund surplus, to fund the program at the continuation level as determined by the Commissioner of Finance.

B. *School Foundation Program.*

1970-71 ----------$235,733,690
1971-72 ----------$240,692,340

Accumulated earnings of the Common School Fund shall each fiscal year be transferred to the School Foundation Program.

The amount to be included for the 1970-71 school year in the Foundation Program of a district for teachers' salaries shall be

determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following schedule, for a term of 185 days, for each rank:

Rank	I	II	III	IV	V
Experience					
0-3 Years	$6,330	$5,880	$5,430	$2,900	$2,600
4-9 Years	$7,230	$6,780	$6,330	$2,900	$2,600
10 Years & Over	$7,750	$7,300	$6,850	$2,900	$2,600

Beginning with the school year 1971-72, the amount to be included in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule, for a term of 185 days, for each rank:

Rank	I	II	III	IV	V
Experience					
0-3 Years	$6,430	$5,980	$5,530	$2,900	$2,600
4-9 Years	$7,330	$6,880	$6,430	$2,900	$2,600
10 Years & Over	$7,850	$7,400	$6,950	$2,900	$2,600

No working budget or salary schedule shall be approved in which the average salary paid any rank of teachers is not at least equivalent to the allotment for that rank, or in which any teacher is paid less than ninety-five percent (95%) of the Foundation Program allotment for that rank, except where there is a decline in local revenue of the district concerned after it has levied the maximum ad valorem property tax rate permitted by law. Any such reduction permitted shall be only for the amount of the decline in local revenue.

In the event any local board of education contends there has been a decline in local tax resources in that district, the State Board of Education shall certify such contention to the Department of Revenue. Said department shall then determine whether

or not there has in fact been a decline in local tax resources of such district, and, if so, the amount of such decline. The Department of Revenue shall then certify its determination to the State Board of Education, and said Board shall accept such certified determination as final.

The allotment to any school district of classroom units, pursuant to KRS 157.360 (1), shall not exceed the number of teachers employed by that school district.

Entitlement for basic classroom units obtained in schools of one classification shall not be allocated to schools of another classification. For the purposes of determining such entitlement, classification shall be as follows:

(1) One-teacher schools;

(2) Schools, other than one-teacher schools, with less than one hundred pupils in average daily attendance; and

(3) Schools, other than one-teacher schools, with more than one hundred pupils in average daily attendance.

In the determination of allotments pursuant to KRS 157.360 (2), there shall not be allotted a full classroom unit for any non-isolated one-teacher school with fewer than 27 pupils in average daily attendance, or for any isolated one-teacher school which has fewer than 12 pupils in average daily attendance.

Allotments, provision for which is made under this Act, for classroom units pursuant to KRS 157.360 (4) and (5) shall be as follows:

	1970-71	1971-72
Vocational Education	1,525	1,535
Exceptional Children (Including Mental Retardation)	1,060	1,060

Provided, however, that if classroom units in either category prove to be excessive, the surplus not to exceed fifty (50) such classroom units may be reallocated to the other category by the Superintendent of Public Instruction, upon approval of the State Board of Education and the Commissioner of Finance.

Allotments for classroom units pursuant to KRS 157.360 (6) shall only be for those personnel enumerated under said subsec-

tion who are qualified for their respective positions under applicable provisions of law and regulations, and who maintain programs which have been approved pursuant to applicable regulations.

The amount to be included in the Foundation Program for other current expenses shall be determined by multiplying $1,400 by the number of classroom units.

The amount to be included in the Foundation Program for capital outlay shall be determined by multiplying $1,200 by the number of classroom units.

In accordance with the intent of KRS 162.060 and 162.160, no space shall be rented, purchased, or otherwise acquired and thereafter converted to classroom use without prior approval of the Superintendent of Public Instruction. The State Board of Education may adopt regulations for the approval on an annual basis of temporary facilities for the housing of school children; provided, however, that no existing room shall be divided by partitions of nonstructural materials. No classroom units shall be allotted for a second teacher in the same classroom. No facilities shall be approved for classroom use which are detrimental to the health of or dangerous to the safety of school children.

If a school district operates any school or grade of a school for a term of less than nine and one-quarter (9¼) scholastic months or for a school day of less than the minimum required by KRS 158.060, the average daily attendance of such school shall be reduced proportionately by the Superintendent of Public Instruction in determining the allotment of classroom units pursuant to KRS 157.400 and applicable regulations.

Notwithstanding the provisions of KRS 157.400, any undistributed balance in the Foundation Program fund at the end of the fiscal years 1969-70 and 1970-71 shall lapse to the General Fund. Notwithstanding the provisions of KRS 156.650, no unexpended portions of the Foundation Program fund shall be expended at any time for the purpose of KRS 156.610 through 156.650.

The total appropriation for the Foundation Program shall be measured by or construed as estimates of the state expenditures required by KRS 157.310, et. seq. If the required expenditures

exceed these estimates, the Commissioner of Finance, with approval of the Governor, may increase the appropriation by such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the hereinabove cited sections of the Kentucky Revised Statutes; provided, however, that any such increase, or the total appropriation to the Foundation Program, is subject to the provisions of paragraph 9 of Part Four, General Provisions, of this Act, and the provisions of KRS 45.160.

C. *Vocational Education—Administration.*

1970-71 ..... $ 744,160
1971-72 ..... $ 895,870

D. *Vocational Education—Operations.*

1970-71 ..... $9,307,320
1971-72 ..... $9,723,820

For general operation of State Area Schools, State Area School Extension Centers, and grants-in-aid to local educational agencies supported by direct appropriations of the General Assembly.

E. *Rehabilitation.*

1970-71 ..... $ 900,000
1971-72 ..... $1,110,000

Any unexpended balance not to exceed $20,000 which remains at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year.

F. *Free Textbooks.*

1970-71 ..... $2,800,000
1971-72 ..... $2,900,000

For the purchase of textbooks in accordance with KRS 157.100, et. seq., and applicable regulations. Any unexpended balance remaining at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year.

G. *Out-of-District Children.*

1970-71 ..... $ 388,000
1971-72 ..... $ 418,000

Any unexpended balance remaining at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year.

H. *School for the Deaf.*

1970-71	$ 904,610
1971-72	$1,067,360

I. *School for the Blind.*

1970-71	$ 576,250
1971-72	$ 605,310

J. *Industries for the Blind.*

1970-71	$ 89,500
1971-72	$ 92,500

K. *Educational Television Debt Service.*

1970-71	$ 631,000
1971-72	$ 711,000

TOTAL—DEPARTMENT OF EDUCATION

1970-71	$254,275,660
1971-72	$260,437,520

---

23. COMMITTEE FOR SCHOOL DISTRICT AUDITS

1970-71	$106,600
1971-72	$110,660

---

24. TEACHERS' RETIREMENT SYSTEM

1970-71	$20,847,830
1971-72	$22,533,061

For administering and complying with the obligations of the state under the Teachers' Retirement Act as provided in KRS 161.220 to 161.710.

---

25. EDUCATIONAL TELEVISION AUTHORITY

1970-71 ----------$1,918,000
1971-72 ----------$1,942,000

---

26. DEPARTMENT OF LIBRARIES

A. *General Operations.*

1970-71 ----------$1,707,716
1971-72 ----------$1,849,176

B. *Construction Grants.*

1970-71 ----------$226,484
1971-72 ----------$226,484

TOTAL–DEPARTMENT OF LIBRARIES

1970-71 ----------$1,934,200
1971-72 ----------$2,075,660

---

27. ARTS COMMISSION

1970-71 ----------$147,860
1971-72 ----------$149,660

---

28. HERITAGE COMMISSION

1970-71 ----------$ 29,370
1971-72 ----------$ 30,380

---

29. HISTORICAL SOCIETY

1970-71 ----------$208,010
1971-72 ----------$214,450

---

30. COUNCIL ON PUBLIC HIGHER EDUCATION

A. *General Operations.*

1970-71 ----------$104,250
1971-72 ----------$115,440

B. *Special Studies.*

1970-71 ..... $ 60,000

Any unexpended balance remaining at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year.

C. *Southern Regional Education Board.*

1970-71 ..... $172,800
1971-72 ..... $174,600

D. *Veterinary Medicine Training Program with Ohio State University.*

1970-71 ..... $ 16,200
1971-72 ..... $ 27,000

TOTAL—COUNCIL ON PUBLIC HIGHER EDUCATION

1970-71 ..... $353,250
1971-72 ..... $317,040

---

31. HIGHER EDUCATION ASSISTANCE AUTHORITY

1970-71 ..... $172,500
1971-72 ..... $172,500

---

32. UNIVERSITY OF KENTUCKY

1970-71 ..... $57,430,000
1971-72 ..... $61,590,000

---

33. EASTERN KENTUCKY UNIVERSITY

1970-71 ..... $11,787,818
1971-72 ..... $13,271,518

---

34. WESTERN KENTUCKY UNIVERSITY

1970-71 ..... $13,287,127
1971-72 ..... $14,980,024

---

35. MOREHEAD STATE UNIVERSITY

1970-71 ..... $7,948,082
1971-72 ..... $8,900,408

---

36. MURRAY STATE UNIVERSITY

1970-71 ..... $8,491,473
1971-72 ..... $9,462,550

---

37. KENTUCKY STATE COLLEGE

A. *General Operations.*

1970-71 ..... $2,835,500
1971-72 ..... $3,135,500

B. *Capital Plaza Rent.*

1970-71 ..... $ 132,000
1971-72 ..... $ 132,000

For payment of Debt Service on the Civic Center Building in accordance with the trust indenture for the Capital Plaza Project.

TOTAL–KENTUCKY STATE COLLEGE

1970-71 ..... $2,967,500
1971-72 ..... $3,267,500

---

38. NORTHERN KENTUCKY STATE COLLEGE

1970-71 ..... $ 850,000
1971-72 ..... $1,100,000

---

39. UNIVERSITY OF LOUISVILLE

1970-71 ..... $5,600,000
1971-72 ..... $7,600,000

TOTAL–EDUCATION

1970-71 ..... $388,355,340
1971-72 ..... $408,154,931

IV. HEALTH AND SOCIAL SERVICES

40. ECONOMIC SECURITY

A. *Administration.*

1970-71 ----------$8,427,000
1971-72 ----------$8,710,000

In the event that any portion of this appropriation in either fiscal year is deemed to be surplus to the needs of the department, such amount, with the approval of the Commissioner of Finance, may be used for Public Assistance Benefits and Services to the needy in accordance with the provisions of the statutes governing the functions and activities of the Department of Economic Security.

B. *Public Assistance Benefits and Services.*

1969-70 ----------$ 4,326,000
1970-71 ----------$43,559,000
1971-72 ----------$49,196,000

For benefits and services to the needy, in accordance with the provisions of the statutes governing the functions and activities of the Department of Economic Security. No part of this appropriation shall be used for the costs of administration.

All medical assistance vendor statements for services rendered as a result of bona fide claims for public assistance medical care may be paid in the fiscal year in which such statements are received by the paying agency.

TOTAL—DEPARTMENT OF ECONOMIC SECURITY

1969-70 ----------$ 4,326,000
1970-71 ----------$51,986,000
1971-72 ----------$57,906,000

---

41. COMMISSION ON AGING

1970-71 ----------$ 75,000
1971-72 ----------$ 75,000

---

42. DEPARTMENT OF MENTAL HEALTH

A. *General Operations.*

1970-71 ----------$22,542,000
1971-72 ----------$25,929,000

B. *Hospital for Mentally Retarded Children.*

1971-72 ----------$ 1,391,000

For use in conversion of the District No. 2 Louisville Tuberculosis Hospital into a facility which shall be utilized for the care and treatment of mentally retarded patients, and shall be operated under the administrative direction of the Department of Mental Health beginning on July 1, 1971.

C. *Building Maintenance.*

1970-1971 ----------$150,000
1971-1972 ----------$150,000

TOTAL—DEPARTMENT OF MENTAL HEALTH

1970-71 ----------$22,692,000
1971-72 ----------$27,470,000

---

43. COMMISSION FOR HANDICAPPED CHILDREN

1970-71 ----------$1,652,000
1971-72 ----------$1,675,000

All medical assistance vendor statements for services rendered as a result of bona fide claims for medical care may be paid in the fiscal year in which such statements are received by the paying agency.

---

44. DEPARTMENT OF HEALTH

A. *Central Administration.*

1970-71 ----------$4,639,000
1971-72 ----------$4,511,000

B. *County Health.*

1970-71 ----------$3,018,000
1971-72 ----------$3,322,000

C. *Related Activities.*

1970-71 ----------$ 65,000
1971-72 ----------$ 65,000

D. *Air and Water Pollution Supplement.*

1970-71 ----------$ 100,000
1971-72 ----------$ 100,000

TOTAL—DEPARTMENT OF HEALTH

1970-71 ----------$7,822,000
1971-72 ----------$7,998,000

---

45. DEPARTMENT OF CHILD WELFARE

A. *General Operations.*

1970-71 ----------$7,940,000
1971-72 ----------$8,813,000

For general operations including Pine Mountain Boys' Camp, Green River Boys' Camp, and Northern Kentucky Reception and Diagnostic Center.

B. *Building Maintenance.*

1970-71 ----------$ 60,000
1971-72 ----------$ 60,000

C. *Commission on Children and Youth.*

1970-71 ----------$ 59,000
1971-72 ----------$ 63,000

TOTAL—DEPARTMENT OF CHILD WELFARE

1970-71 ----------$8,059,000
1971-72 ----------$8,936,000

---

46. COMMISSION ON HUMAN RIGHTS

1970-71 ----------$248,600
1971-72 ----------$257,100

---

47. TUBERCULOSIS HOSPITAL COMMISSION

A. *General Operations.*

1970-71 ..... $4,947,000
1971-72 ..... $3,481,000

B. *Building Maintenance.*

1970-71 ..... $ 50,000
1971-72 ..... $ 50,000

TOTAL—TUBERCULOSIS HOSPITAL COMMISSION

1970-71 ..... $4,997,000
1971-72 ..... $3,531,000

TOTAL—HEALTH AND SOCIAL SERVICES

1969-70 ..... $ 4,326,000
1970-71 ..... $ 97,531,600
1971-72 ..... $107,848,100

V. RESOURCES DEVELOPMENT

48. DEPARTMENT OF PARKS

1970-71 ..... $6,000,000
1971-72 ..... $7,200,000

---

49. BREAKS INTERSTATE PARK COMMISSION

1970-71 ..... $120,000
1971-72 ..... $120,000

For matching funds appropriated by the Commonwealth of Virginia relating to construction, maintenance, and operations at the Breaks Interstate Park. This appropriation is contingent upon an appropriation by the Commonwealth of Virginia adequate to match this amount on an equal basis; provided, however, that ap-

propriations to date shall be considered cumulatively, and any deficit in appropriations by this state may be removed.

---

50. DEPARTMENT OF COMMERCE

A. *General Operations.*

1970-71 ----------$1,165,365
1971-72 ----------$1,206,880

B. *Geological Projects.*

1970-71 ----------$853,875
1971-72 ----------$922,170

TOTAL—DEPARTMENT OF COMMERCE

1970-71 ----------$2,019,240
1971-72 ----------$2,129,050

---

51. DEPARTMENT OF LABOR

1970-71 ----------$435,660
1971-72 ----------$453,840

---

52. DEPARTMENT OF NATURAL RESOURCES

1970-71 ----------$2,635,910
1971-72 ----------$2,736,510

Not less than $60,000 of the appropriation for each fiscal year shall be set aside for emergency forest fire suppression. Any unexpended balance of this amount remaining at the close of the 1970-71 fiscal year shall not lapse, but shall continue into the 1971-72 fiscal year. Any expenditure for emergency fire suppression in excess of the amount available in either fiscal year is hereby declared to be a necessary governmental expense; provided, however, that an emergency situation shall have been declared to exist by the Governor.

---

53. DEPARTMENT OF MINES AND MINERALS

1970-71 ----------$572,600
1971-72 ----------$631,200

---

54. STATE FAIR BOARD

A. *General Operations.*

1970-71 ..... $450,000
1971-72 ..... $450,000

B. *Building Maintenance.*

1970-71 ..... $100,000
1971-72 ..... $300,000

For expenditure in accordance with the provisions of Chapter 56 of the Kentucky Revised Statutes.

TOTAL—STATE FAIR BOARD

1970-71 ..... $550,000
1971-72 ..... $750,000

---

55. DEPARTMENT OF AGRICULTURE

A. *General Operations.*

1970-71 ..... $2,413,224
1971-72 ..... $2,833,809

B. *Meat Inspection.*

1970-71 ..... $678,736
1971-72 ..... $778,621

TOTAL—DEPARTMENT OF AGRICULTURE

1970-71 ..... $3,091,960
1971-72 ..... $3,612,430

TOTAL—RESOURCES DEVELOPMENT

1970-71 ..... $15,425,370
1971-72 ..... $17,633,030

VI. TRANSPORTATION

56. DEPARTMENT OF AERONAUTICS

1970-71 ..... $1,342,050
1971-72 ..... $2,030,230

---

57. RAILROAD COMMISSION

1970-71 ..... $ 38,340
1971-72 ..... $ 40,980

TOTAL—TRANSPORTATION

1970-71 ..... $1,380,390
1971-72 ..... $2,071,210

VII. BUSINESS REGULATION

58. DEPARTMENT OF MOTOR TRANSPORTATION

1970-71 ..... $100,000
1971-72 ..... $105,000

For operation of the Motor Vehicle Dealers' Board and the Mobile Home Dealers' Board.

---

59. DEPARTMENT OF INSURANCE

1970-71 ..... $630,170
1971-72 ..... $701,990

---

60. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

1970-71 ..... $431,260
1971-72 ..... $462,940

---

61. OCCUPATIONS AND PROFESSIONS REGULATION

Kentucky Athletic Commission.

1970-71 ..... $ 22,500
1971-72 ..... $ 22,500

TOTAL—BUSINESS REGULATION

1970-71 ..... $1,183,930
1971-72 ..... $1,292,430

VIII. MISCELLANEOUS

62. COUNTY COSTS

1970-71 ----------$4,800,000
1971-72 ----------$4,800,000

All County Costs are deemed to be necessary governmental expenses and additional funds may be allotted from surplus by the Commissioner of Finance.

---

63. APPROPRIATIONS NOT OTHERWISE CLASSIFIED

A. *Back Tax Collections.*
1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

B. *Board of Claims Awards.*
1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

For the payment of awards or judgments made by the Board of Claims against departments, boards, commissions, and other agencies maintained by appropriations out of the General Fund; provided, however, that awards under $500 in cases where the operating department admits negligence shall be paid from funds available for the operations of such department.

C. *Judgments.*
1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

For payment of such judgments as may be rendered against the Commonwealth by order of Court; provided, however, that such payments shall be approved in advance by the Attorney General.

D. *Prior Year Claims.*
1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

E. *Unredeemed Checks Refunded.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

Checks written by the State Treasurer and not cashed within the statutory period may be presented directly to the State Treasurer for reissuance in accordance with the provisions of KRS 41.370.

F. *Confederate Pensions.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

G. *Blanket Employee Surety Bonds.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

For payment of premiums on blanket surety bonds as provided by KRS 62.170.

H. *Social Security for Circuit Clerks, Master Commissioners, and Court Reporters.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

I. *Retirement — Circuit Clerks, Master Commissioners, Court Reporters, and Assistant Commonwealth Attorneys.*

1970-71 ----------Amount Necessary
1971-72 ----------Amount Necessary

J. *Franklin Circuit Court.*

1970-71 ----------$ 300
1971-72 ----------$ 300

For purchase of supplies and equipment in accordance with KRS 28.165.

K. *Frankfort Planning Commission.*

1970-71 ----------$ 1,000
1971-72 ----------$ 1,000

L. *Frankfort Cemetery.*
1970-71 ..... $ 1,000
1971-72 ..... $ 1,000

M. *Public Improvements.*
1970-71 ..... $ 40,000
1971-72 ..... $ 40,000

For paying assessments for public improvements against property owned by the State, and for which said assessments the State is deemed to be liable.

N. *Money Refunded.*
1970-71 ..... Amount Necessary
1971-72 ..... Amount Necessary

For refunding money paid into the State Treasury, which may be later determined not to be a lawful collection by the State. No money shall be refunded, however, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and with the approval of the Commissioner of Finance and the Attorney General.

TOTAL—APPROPRIATIONS NOT OTHERWISE CLASSIFIED

1970-71 ..... $ 42,300
1971-72 ..... $ 42,300

---

64. DEBT SERVICE

A. *Veterans' Bonus Debt Service.*
1970-71 ..... $7,835,855
1971-72 ..... $7,815,117

For the principal and interest on bonds issued to pay veterans' bonuses.

B. ***Parks Debt Service.***
1970-71 ..... $556,180
1971-72 ..... $556,100

For the principal and interest on general obligation parks bonds.

C. *1965 General Obligation Debt Service.*

1970-71 ----------$2,060,630
1971-72 ----------$2,049,305

For the principal and interest on 1965 general obligation bonds.

TOTAL–DEBT SERVICE

1970-71 ----------$10,452,665
1971-72 ----------$10,420,522

---

65. CAPITAL CONSTRUCTION

A. *Northern Kentucky State College.*

1970-71 ----------$300,000
1971-72 ----------$300,000

For construction of new facilities and land acquisition.

B. *Miscellaneous Construction and Repairs.*

1970-71 ----------$ 500,000
1971-72 ----------$2,615,000

For general construction, maintenance, repairs, and improvements of state facilities. All Capital Construction Appropriations shall be expended in accordance with the provisions of Chapter 56 of the Kentucky Revised Statutes. All monies transferred to the Department of Finance for capital construction from other appropriations shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Department of Finance for capital construction.

TOTAL–CAPITAL CONSTRUCTION

1970-71 ----------$ 800,000
1971-72 ----------$2,915,000

---

66. GENERAL CONTINGENCY FUND

1970-71 ----------$1,000,000
1971-72 ----------$1,000,000

For meeting expenses deemed necessary by the Governor, and to be expended by the Governor, in his discretion, for any emergency or other contingency that he may determine requires the expenditure of any part of said fund. Any unexpended balance at the close of 1970-71 fiscal year shall continue into 1971-72.

TOTAL–MISCELLANEOUS	
1970-71	$17,094,965
1971-72	$19,177,822

PART TWO
STATE ROAD FUND

There is established for the purpose of paying all costs of operation and maintenance of the Department of Highways and for carrying on its activities and functions, a State Road Fund which shall consist of all the revenues realized from fees, taxes, license fees levied for state road purposes now authorized by law, and any additional or other revenues, grants or funds, including any amount which may be received from Federal aid, bond funds, or any other source pursuant to the provisions of KRS 177.030, made available for the construction or reconstruction of public roads or for any other of the activities administered by the Department of Highways. Such receipts and revenues, together with any balance in the existing State Road Fund as of June 30, 1970, and June 30, 1971, shall constitute the State Road Fund for the fiscal years 1970-71 and 1971-72. There is appropriated from the State Road Fund the following amounts for the following departments or agencies of the State Government, for the following purposes:

I. HIGHWAYS

1. DEPARTMENT OF HIGHWAYS

General Operations. For use by the Department in its activities, functions and duties performed by it as prescribed by law, all monies received and placed to the credit of the State Road

Fund, not otherwise appropriated in this or any other Act; provided, however, that an annual budget for each fiscal year shall be submitted by the Department of Highways as required by Part Two, Section III of this Act.

---

2. RURAL HIGHWAYS

A. *County Road Aid.* For construction, reconstruction, improvement, and maintenance of county roads and bridges, the sum of $13,000,000 for fiscal year 1970-71 and $13,000,000 for fiscal 1971-72. This appropriation is to be expended in accordance with the provisions of KRS 179.410 through 179.430.

B. *Rural Secondary Roads.* For the construction, reconstruction, and maintenance of rural and secondary roads, two-sevenths of all revenue received under the provisions of KRS 138.220 and 138.565, shall be expended in accordance with KRS 177.320. This appropriation is in addition to the amount appropriated under Section I, subsection 2, Paragraph A, of Part Two of the Appropriation Act. These funds shall be distributed in accordance with the formula prescribed by the provisions of KRS 177.360.

II. APPROPRIATIONS TO AGENCIES OTHER THAN HIGHWAYS

3. DEPARTMENT OF TREASURY

1970-71 ---------- $ 50,000
1971-72 ---------- $ 50,000

For the expenses pertaining to treasury administration for the Department of Highways.

---

4. DEPARTMENT OF FINANCE

1970-71 ---------- $ 200,000
1971-72 ---------- $ 200,000

For expenses pertaining to financial administration for the Department of Highways.

---

5. DEPARTMENT OF PERSONNEL

1970-71 ..... $ 120,000
1971-72 ..... $ 120,000

Notwithstanding any provisions of KRS 18.330 to the contrary, this appropriation is for the pro-rata cost of administering a merit system of personnel administration for the civil service of the Commonwealth for the Department of Highways.

---

6. DEPARTMENT OF REVENUE

1970-71 ..... $ 320,000
1971-72 ..... $ 320,000

For administering and enforcing the laws pertaining to the gasoline, motor fuels, and any other taxes comprising the State Road Fund, and for administering and enforcing the laws relating to motor vehicle registration and other laws relating to motor vehicles and highways.

---

7. DEPARTMENT OF PUBLIC SAFETY

1970-71 ..... $1,835,000
1971-72 ..... $1,340,000

For expenses of the Department of Public Safety incidental to the administration and enforcement of motor vehicle registration laws, motor vehicle operators licensing laws, and other laws relating to highways.

---

8. DEPARTMENT OF COMMERCE

1970-71 .....$177,125
1971-72 .....$177,125

For expenses arising from geological projects pertaining to the acquisition of data used in highway planning and construction.

---

9. DEPARTMENT OF MOTOR TRANSPORTATION

1970-71 .....$1,281,705
1971-72 .....$1,281,705

For administering and enforcing the motor vehicle carrier laws.

---

10. DEPARTMENT OF PUBLIC INFORMATION

1970-71	$ 250,000
1971-72	$ 250,000

For expenses of the Division of Advertising and Production incident to the preparation, publication, and distribution of road maps, booklets, photographs, advertisements, and other activities intended to advertise and publicize Kentucky highways and highway conditions, tourist, scenic and travel attractions, and places of interest to motorists.

TOTAL—APPROPRIATIONS TO AGENCIES OTHER THAN HIGHWAYS

1970-71	$4,233,830
1971-72	$3,738,830

III. ADMINISTRATION AND EFFECT

The Department of Highways shall submit an annual budget for each fiscal year to the Department of Finance for approval by the Commissioner of Finance immediately before the fiscal year begins. The budget shall be based upon the most current State Road Fund revenue estimates, surplus, and contractual and noncontractual Federal aid for which the Department will be eligible during the fiscal year.

The appropriations made by this Act are subject to the provisions of Chapters 12, 42, and 45 of the Kentucky Revised Statutes except where additional requirements are imposed by this Act. Nothing in this Act shall be construed to repeal any appropriation to the State Road Fund for the fiscal year ending June 30, 1970.

PART THREE
TRUST AND AGENCY FUNDS

There is appropriated to the various officers, departments, boards, commissions, institutions, subdivisions, and other agencies of the State Government only as are listed herein for the fiscal year ending June 30, 1971, and for the fiscal year ending June 30,

1972, all of the fees (which include fees for board and room, athletics, and student activities) and rentals, admittances, sales, bonds proceeds, licenses collected by law, gifts, subventions, Federal grants and other Federal funds received, contributions, and other miscellaneous receipts produced or received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Revolving or Trust and Agency Fund out of which shall be established separate Revolving or Trust and Agency Fund accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized.

In the event receipts received and credited to any Revolving or Trust and Agency Fund Account during fiscal year 1970-71 or fiscal year 1971-72 and any balance forwarded to the credit of any such account from the previous fiscal year exceed the appropriation made by specific sum to said account in this Part of this Act, the excess is appropriated to the credit of said account for the fiscal year in which the excess occurs; provided, however, that with the exception of Federal grants and other Federal funds received, said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the budget director and approval of the Commissioner of Finance.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Revolving or Trust and Agency Fund account, through the Department of Finance, during the fiscal year ending June 30, 1971, and during the fiscal year ending June 30, 1972, all receipts placed to the credit of the Revolving or Trust and Agency Fund for such year out of which has been established a Revolving or Trust and Agency Fund account for each separate agency during such fiscal year, in addition to any balance which said agency may have had forwarded from the preceding year on or before August 31, of the then current fiscal year, by the Department of Finance. On or before the beginning of each fiscal year, each agency shall submit to the De-

partment of Finance schedules showing estimated receipts and estimated expenditures by quarterly period.

I. GENERAL GOVERNMENT

1. EXECUTIVE

A. *Kentucky Program Development Office.*

B. *State Planning Committee.*

C. *Infant and Early Childhood Development Project.*

---

2. AUDITOR OF PUBLIC ACCOUNTS

1970-71	$ 85,802
1971-72	$ 96,345

---

3. SECRETARY OF STATE

Notwithstanding the provisions of KRS 271.055 and KRS 271.121, all the operating receipts from all activities of the office of the Secretary of State shall be deposited in the State Treasury to the credit of the General Expenditure Fund.

---

4. BOARD OF ELECTIONS

1970-71	$ 92,000
1971-72	$ 92,000

---

5. DEPARTMENT OF FINANCE

A. *Paper Revolving Fund.*

B. *Division of Services Revolving Fund.* For providing stamps and postage, supplies, equipment, and utility services for the various budget units of State Government; provided, however, that said budget units shall make reimbursement for same.

C. *Central Stores Revolving Fund.* For purchasing supplies and services for the various budget units of State Government; provided, however, that said budget units shall make reimbursement for same.

D. *Central Stores Administration.* For payment of all costs of the administration and operation of a Central Stores for State Government.

E. *Maintenance and Operations Fund.* For expenses of maintaining and operating office buildings.

F. *Duplicating Revolving Fund.* For duplicating services provided to the various budget units of State Government; provided, however, that said budget units shall make reimbursement on the basis of cost.

G. *Capital Construction.* All real estate rentals, sales, and other receipts including balances brought forward as provided in Chapter 56 of the Kentucky Revised Statutes.

H. *Division of Purchases.* For reproduction of documents and testing of commodities.

I. *Division of Properties.*

---

6. DEPARTMENT OF PERSONNEL

1970-71 ----------$118,400
1971-72 ----------$149,400

---

7. PUBLIC INFORMATION

---

8. STATE AND COUNTY RETIREMENT SYSTEM

1970-71 ----------$330,710
1971-72 ----------$390,480

---

9. CAPITAL PLAZA AUTHORITY

II. LAW AND JUSTICE

10. BOARD OF BAR EXAMINERS

1970-71 ----------$ 32,350
1971-72 ----------$ 34,180

---

11. DEPARTMENT OF MILITARY AFFAIRS

Notwithstanding the provisions of KRS 45.140, any balance remaining in the Adjutant General's and/or the Repairs to Armory Trust and Agency accounts at the end of each fiscal year shall lapse in accordance with the provisions of KRS 45.230.

12. DEPARTMENT OF PUBLIC SAFETY

1970-71 ----------$1,307,761
1971-72 ----------$1,088,637

Notwithstanding the provisions of KRS 234.160 and KRS 236.130, all monies collected by the Division of Fire Prevention shall be paid into the General Expenditure Fund.

13. DEPARTMENT OF CORRECTIONS

A. *Central Office.*

B. *Penal Institutions.*

C. *Prison Industries.*

14. COMMISSION ON LAW ENFORCEMENT AND CRIME PREVENTION

15. LAW ENFORCEMENT COUNCIL

III. EDUCATION

16. DEPARTMENT OF EDUCATION

A. *Central Administration.*

1970-71 ----------$ 1,757,760
1971-72 ----------$ 1,775,190

B. *Vocational Education—Administration.*

1970-71 ----------$ 744,000
1971-72 ----------$ 680,560

C. *Vocational Education—Operations.*

1970-71 ----------$18,852,740
1971-72 ----------$21,507,830

D. *Rehabilitation.*

1970-71 ----------$10,617,360
1971-72 ----------$12,352,880

E. *School Food Services.*

F. *National Defense Education Act—Grants.*

G. *Elementary and Secondary Education Act—Grants.*

H. *OASI Disability Determinations.*

I. *School for the Deaf.*

J. *School for the Blind.*

K. *Industries for the Blind.*

---

17. ADVISORY COUNCIL FOR VOCATIONAL EDUCATION AND MANPOWER DEVELOPMENT AND TRAINING

---

18. TEACHERS' RETIREMENT SYSTEM

---

19. EDUCATIONAL TELEVISION AUTHORITY

---

20. DEPARTMENT OF LIBRARIES

1970-71 ----------$442,962
1971-72 ----------$418,510

---

21. ARTS COMMISSION

---

22. HERITAGE COMMISSION

---

23. HISTORICAL SOCIETY

1970-71 ----------$ 52,215
1971-72 ----------$ 59,335

---

24. HIGHER EDUCATION

A. *Council on Public Higher Education.*

B. *Commission on Higher Education.*

C. *University of Kentucky.*

D. *Eastern Kentucky University.*

E. *Western Kentucky University.*

F. *Morehead State University.*

G. *Murray State University.*

H. *Kentucky State College.*

I. *Northern Kentucky State College.*

J. *University of Louisville.*

IV. HEALTH AND SOCIAL SERVICES

25. DEPARTMENT OF ECONOMIC SECURITY

---

26. COMMISSION ON AGING

---

27. DEPARTMENT OF MENTAL HEALTH

1970-71 ----------$2,895,646
1971-72 ----------$3,075,443

---

28. COMMISSION FOR HANDICAPPED CHILDREN

1970-71 ----------$1,378,000
1971-72 ----------$1,403,000

---

29. DEPARTMENT OF HEALTH

---

30. DEPARTMENT OF CHILD WELFARE

A. *General Operations.*

1970-71 ----------$1,724,000
1971-72 ----------$1,715,000

B. *Commission on Children and Youth.*

31. COMMISSION ON HUMAN RIGHTS

32. TUBERCULOSIS HOSPITAL COMMISSION

1970-71 ..... $897,000
1971-72 ..... $905,000

V. RESOURCES DEVELOPMENT

33. DEPARTMENT OF PARKS

1970-71 ..... $8,096,550
1971-72 ..... $8,481,300

34. INDUSTRIAL DEVELOPMENT FINANCE AUTHORITY

1970-71 ..... $153,540
1971-72 ..... $154,660

35. DEPARTMENT OF COMMERCE

1970-71 ..... $184,535
1971-72 ..... $177,000

36. DEPARTMENT OF LABOR

A. *Workmen's Compensation Board.*

1970-71 ..... $7,001,784
1971-72 ..... $7,802,001

For the general operations of the Workmen's Compensation Board and the Division of Occupational Safety; and for administrative services provided to the board, an amount not to exceed seventy-five percent (75%) of the total costs of the Division of Research and Statistics and the Division of Fiscal and Personnel Services.

B. *Special Fund.*

37. DEPARTMENT OF NATURAL RESOURCES

A. *Forestry.*

1970-71 ----------$939,523
1971-72 ----------$942,900

B. *Water.*

C. *Strip Mining and Reclamation.*

1970-71 ----------$376,110
1971-72 ----------$381,727

---

38. DEPARTMENT OF MINES AND MINERALS

1970-71 ----------$ 82,415
1971-72 ----------$ 43,570

---

39. STATE FAIR BOARD

---

40. DEPARTMENT OF AGRICULTURE

A. *General Operations.*

1970-71 ----------$ 8,500
1971-72 ----------$ 8,500

B. *Weights and Measures.*

1970-71 ----------$ 7,500
1971-72 ----------$ 7,500

C. *Meat Inspection.*

1970-71 ----------$663,800
1971-72 ----------$766,200

D. *Markets.*

1970-71 ----------$ 43,100
1971-72 ----------$ 43,100

E. *Pest and Weed Control.*

1970-71 ----------$ 66,500
1971-72 ----------$ 31,500

F. *Milk Marketing Commission.*

G. *Egg Law.*

H. *Dog Law.*

---

41. DEPARTMENT OF FISH AND WILDLIFE RESOURCES

VI. TRANSPORTATION

42. DEPARTMENT OF AERONAUTICS

VII. BUSINESS REGULATIONS

43. DEPARTMENT OF INSURANCE

Notwithstanding any provisions of KRS 304.463 to the contrary, the following receipts only are authorized to be placed to the credit of the Trust and Agency Fund and are authorized for expenditure out of the Trust and Agency Fund. All other receipts collected during the 1970-71 and 1971-72 fiscal years shall be placed to the credit of the General Expenditure Fund.

A. *Custodian of Securities.* All sums paid for expenses under the provisions of KRS 304.503.

B. *Insurance Examiners Expense.* All fees paid pursuant to the provisions of KRS 304.035. (Notwithstanding the provisions of KRS 304.035 to the contrary, any amount unexpended at the end of the 1969-70 fiscal year and each fiscal year thereafter in excess of $10,000 shall lapse to the General Expenditure Fund.)

C. *Fire and Tornado Insurance Fund.* If at the end of the 1970-71 fiscal year the monies and securities to the credit of the State Fire and Tornado Fund exceed $1,500,000 any such excess shall be deposited in the State Treasury to the credit of the General Expenditure Fund, notwithstanding the provisions of KRS 56.180.

44. DEPARTMENT OF BANKING

A. *Division of Banking.*

1970-71 ----------$450,060
1971-72 ----------$470,250

B. *Division of Securities.*

1970-71 ----------$ 92,900
1971-72 ----------$ 97,200

All unexpended balances in excess of $100,000 remaining in the Trust and Agency Fund of the Department of Banking and Securities at the close of the 1969-70 fiscal year and the 1970-71 fiscal year shall lapse to the General Expenditure Fund. Receipts of the Department during the fiscal year 1970-71 and fiscal year 1971-72 shall be available for expenditure from the Trust and Agency Fund.

---

45. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

A. *Confiscation Expenses.*

1970-71 ----------$ 5,000
1971-72 ----------$ 5,000

---

46. PUBLIC SERVICE COMMISSION

1970-71 ----------$544,280
1971-72 ----------$593,720

---

47. OCCUPATIONS AND PROFESSIONS REGULATION

A. *Board of Accountancy.*

B. *Board of Psychology.*

C. *Board of Examiners and Registration of Architects.*

D. *Board of Barber and Cosmetologist Examiners.*

E. *Board of Chiropractic Examiners.*

F. *Board of Dental Examiners.*

G. *Board of Embalmers and Funeral Directors.*

H. *Board of Pharmacy.*

I. *Board of Nursing.*

J. *Board of Veterinary Examiners.*

K. *Board of Professional Engineers.*

L. *Real Estate Commission.*

M. *Board of Optometric Examiners.*

N. *Board of Podiatry.*

O. *Board of Opthalmic Dispensers.*

P. *Board of Watchmaking.*

Q. *Board of Physical Therapy.*

R. *Board of Business Schools.*

S. *Board of Auctioneers.*

VIII. MISCELLANEOUS

48. COUNTY FEES

A. *Jefferson County Master Commissioners.*

B. *Jefferson County Receiver.*

C. *County Fees for the following counties:* Jefferson, Kenton, Fayette, and Campbell.

For paying the various officials of each county enumerated, seventy-five percent (75%) of the fees provided by law to be paid, by the State, to these officials when their claims for fees have been presented to the Department of Finance in the form and manner prescribed by law and approved by the Commissioner of Finance, and to pay to the Fiscal Court of each of said counties twenty-five percent (25%) of said fees as required by KRS 64.350.

---

49. TRUCK LICENSES – COUNTY SHARE

A. *Truck Licenses–County Share.* There shall be credited to this fund for the purpose of distribution to counties such por-

tion of truck license fees as is provided by law, at such time as the Department of Finance may order.

50. COUNTY COSTS

A. *Commonwealth Attorneys' Expense Accounts.*

B. *County Attorneys' Expense Accounts.*

C. *County Judges' Expense Accounts.*

PART FOUR
GENERAL PROVISIONS

1. Nothing in this Act shall be construed to repeal any appropriation made hereinbefore or hereinafter for the fiscal year ending June 30, 1970, and nothing in this Act is to be construed as amending or altering the provisions of Chapter 42 of the Kentucky Revised Statutes pertaining to the duties and powers of the Commissioner of Finance. All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which such appropriation may be expended shall be decided by the Commissioner of Finance in accordance with the detailed estimates embodied in the budget report, and supporting work papers, as considered by the General Assembly, and the decision of the Commissioner of Finance shall be final and conclusive.

2. The Commissioner of Finance is authorized to establish a system or formula or combination of both for pro-rating the administrative costs of the Departments of Personnel, Finance, Treasury, and Law relative to the administration of programs in which there is joint participation by the State and Federal Governments for the purpose of receiving the maximum amount of participation permitted under the appropriate Federal laws and regulations governing such programs. Any reimbursements received from Federal funds under this system or formula shall accrue to the General Expenditure Fund and any system or formula for the proration shall be developed pursuant to the provisions of KRS 18.330.

3. Notwithstanding any other provisions of this Act, the appropriations to agencies receiving both a General Fund and a Road Fund appropriation shall be considered one appropriation for the purposes of administration of this Act, and the rates of General Fund-Road Fund appropriations may be adjusted, by the Commissioner of Finance with approval of the Commissioner of Highways, within the total authorized appropriation for any agency.

4. Notwithstanding any provisions of the Kentucky Revised Statutes to the contrary, the University of Kentucky, Eastern Kentucky University, Western Kentucky University, Morehead State University, Murray State University, Kentucky State College, Northern Kentucky State College, and the University of Louisville are hereby authorized and empowered, with the approval of the Commissioner of Finance, to utilize funds available from any appropriated source, for the purpose of cooperating to the fullest extent possible with Federal agencies in such programs as may be proposed by the Federal Government involving the use of Federal funds for educational purposes, programs, and buildings in conjunction with the colleges and universities.

5. In enacting this Appropriation Act, it is the deliberate intention of the General Assembly to enact each section, and each subsection thereof, as a separate and/or specific appropriation and law, and if any section, any subsection, or any provision thereof shall be held invalid, or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.

6. All continuing appropriations in existence at the time this Act takes effect are discontinued and repealed by this Act, notwithstanding any provisions of the Kentucky Revised Statutes to the contrary, except as provided by Chapters 7, 12, 13, 42, 45, 56, 177, and 341 of the Kentucky Revised Statutes. All laws and portions of laws in conflict with any of the provisions of the above enactment, to the extent of such conflict, are hereby repealed.

7. All funds which accrue to the General Fund as recorded in the official records of the Department of Finance on June 30, 1971, as a result of surplus in excess of the official estimate may be transferred to the Capital Construction Fund upon the recom-

mendation of the Commissioner of Finance and written approval of the Governor to the extent such funds exceed any deficit which might occur in the Minimum School Foundation Program and to the extent such funds exceed the sum of $2,030,440 which sum shall be transferred to the Teachers' Retirement System as a current contribution for prior year obligations after any such deficit in the Minimum School Foundation Program has been provided for as provided herein.

8. In the event any funds are made available to the Commonwealth in either fiscal year of the 1970-72 Biennium from the Federal Government as a result of revenue-sharing measures, which may be enacted by the U. S. Congress, one half of such funds are appropriated to the Department of Public Safety for upgrading law enforcement programs in the Commonwealth, and the remaining funds are appropriated to the Department of Health for air and water pollution control programs.

9. WHEREAS, the finances of the Commonwealth cannot be ascertained with absolute certainty at this time, and since the actual needs of each officer, department, board, commission, institution, agency, or other activity or subdivision of the State Government can only be anticipated and not finally determined by the General Assembly, and since the total amount of revenue accruing to the General Expenditure Fund and to the General Road Fund from which these appropriations are made can only be anticipated through existing laws and those that may hereinafter be enacted, it is the purpose and intention of this Act that the expenditures for each fiscal year under Part One of this Act shall not exceed the total financial resources anticipated to accrue to the General Expenditure Fund and that the expenditures for each fiscal year under Part Two of this Act shall not exceed the total financial resources anticipated to accrue to the General Road Fund for the same fiscal year respectively. As the conditions cannot be fully determined until after the adjournment of the 1970 General Assembly, and as the needs of each officer, department, board, agency, commission, institution, subdivision, or other activity of the State Government and the total financial resources accruing to the General Expenditure Fund and the General Road Fund cannot be fully determined at this time, it is the intention and the purpose of this General Assembly that the Commissioner of Finance with the advice of the Com-

missioner of Revenue and the approval of the Governor of the Commonwealth, is authorized, empowered, and directed to ascertain and determine the needs of each officer, department, board, commission, institution, subdivision, agency, or other activity of State Government, and to ascertain the total financial resources anticipated to accrue to the General Expenditure Fund and General Road Fund of the Commonwealth, and upon the ascertainment and determination of said facts, he, the Commissioner of Finance, in the manner set forth and as provided by general law, is authorized, empowered, and directed by the General Assembly to prevent an overdraft or deficit in any fiscal year for which appropriations are herein made, by equitably reducing, according to need, without discrimination, the appropriations herein made in Part One and Part Two to any officer, department, board, commission, institution, subdivision, agency, or other activity of the State Government; provided, however, that the power vested shall not permit any reduction of the appropriation of any officer, department, board, commission, institution, subdivision, agency, or other activity of the State Government that will actually impair the necessary constitutional functions of any such agency or activity, the operations and functions of which are determined to be necessary constitutional functions of government.

HB 333, AN ACT relating to the taxation of distilled spirits.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 243.720 of the Kentucky Revised Statutes is amended to read as follows:

(1) There is levied upon the use, sale or distribution by sale or gift of distilled spirits a tax of *$1.92* [$1.28] on each wine gallon of distilled spirits, and a proportional rate per gallon on all distilled spirits used, sold or distributed in any container of more or less than one gallon, but the rate of the excise tax on spirits in retail containers of one-half pint shall be *twelve* [eight] cents.

(2) There is levied upon the use, sale or distribution by sale or gift of wine, a tax of fifty cents on each gallon of wine, and a proportional rate per gallon on the wine used, sold or dis-

tributed in any container of more or less than one gallon, but in no event shall the tax be less than four cents on the sale or distribution of any retail container of wine.

(3) There is levied upon the sale or distribution by sale or gift of malt beverages an excise tax of $2.50 on each barrel of thirty-one gallons and a proportional rate per gallon on malt beverages sold or distributed in any container of more or less than thirty-one gallons.

(4) This section shall not apply to:

(a) Wine manufactured, sold, given away or distributed and used solely for sacramental purposes; or

(b) Distilled spirits and wine purchased by holders of special licenses provided for in KRS 243.320 and 243.330 and purchased and used in the manner authorized by those licenses.

Section 2. A new section of KRS 243.720 to 243.730 is created to read as follows:

(1) Upon all not itemized distilled spirits upon which the tax imposed by KRS 243.720 [1] as such statute existed on January 1, 1970, has been paid and which on July 1, 1970 are held and intended for sale or for use, there shall be levied, assessed, collected and paid a floor stocks tax of sixty-four cents on each gallon and a proportionate tax at a like rate on all fractional parts of a gallon.

(2) Under such regulations as the Department of Revenue shall prescribe, every person required by subsection (1) of this section to pay any floor stocks tax shall on or before July 1, 1970 make a return and pay such tax to the Department of Revenue. Payment of the tax shown to be due may be extended to a date not later than September 1, 1970, under such regulations as the Department of Revenue shall prescribe.

(3) Any person who fails to pay the tax levied by this section at the time prescribed in subsection (2) of this section for payment, shall pay a penalty of twenty percent of the amount of tax due. Such penalty shall be assessed by the Department of Revenue and may be reviewed only as provided in KRS 131.110.

(4) Any person who violates any of the provisions of this section shall be fined not less than fifty dollars nor more than

one thousand dollars, or be imprisoned for not less than thirty days nor more than one year, or both.

Section 3. A new section of KRS 243.720 to 243.730 is created to read as follows:

(1) The additional taxes imposed by Sections 1 and 2 of this Act of sixty-four cents on each gallon of distilled spirits and a proportionate tax at a like rate on all fractional parts of a gallon shall not be included in the minimum resale prices required under KRS 244.390.

(2) It is the express intention of this General Assembly that contracts and agreements under the provisions of KRS 244.380 to 244.470 relating to minimum mark-up resale prices shall treat the additional taxes imposed by this Act as a separate cost item not to exceed sixty-four cents on each gallon of distilled spirits and a proportionate tax at a like rate on all fractional parts of a gallon.

Section 4. This Act shall become effective July 1, 1970.

SB 4, AN ACT relating to Sales Tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 139.480 of the Kentucky Revised Statutes is amended to read as follows:

Any other provision of this chapter to the contrary notwithstanding, the terms "sale at retail," "retail sale," "use," "storage," and "consumption," as used in this chapter do not include the sale, use, storage, or other consumption of:

(1) Locomotives or rolling stock, including materials for the construction, repair, or modification thereof, or fuel or supplies for the direct operation of locomotives and trains, used or to be used in interstate commerce;

(2) Coal for the manufacture of electricity;

(3) All energy or energy-producing fuels used in the course of manufacturing, processing, mining, or refining to the extent that the cost of the energy or energy-producing fuels used exceeds three percent of the cost of production;

(4) Livestock of a kind the products of which ordinarily constitute food for human consumption provided the sales are made for breeding or dairy purposes and by or to a person regularly engaged in the business of farming;

(5) Poultry for use in breeding or egg production;

(6) Farm work stock for use in farming operations;

(7) Seeds, the products of which ordinarily constitute food for human consumption or are to be sold in the regular course of business, feed for livestock or poultry of a kind the products of which ordinarily constitute food for human consumption, and commercial fertilizer to be applied on land the products from which are to be used for food for human consumption or are to be sold in the regular course of business; provided such sales are made to farmers who are regularly engaged in the occupation of tilling and cultivating the soil for the production of crops as a business, or who are regularly engaged in the occupation of raising and feeding livestock or poultry or producing milk for sale; and provided further that such tangible personal property so sold is to be used only by those persons designated above who are so purchasing;

(8) Machinery for new and expanded industry;

(9) Farm machinery. As used in this section the term "farm machinery" means machinery used exclusively and directly in the occupation of tilling the soil for the production of crops as a business, or in the occupation of raising and feeding livestock or poultry or of producing milk for sale. The term "farm machinery" us used in this section includes machinery, attachments, and replacements therefor which are used or manufactured for use on, or in the operation of farm machinery and which are necessary to the operation of such machinery, and are customarily so used; but this exemption shall not include automobiles, trucks, trailers, and truck-trailer combinations.

(10) Medicines, drugs and physical aids:

(a) Medicine and drugs sold pursuant to a doctor's prescription for human use;

(b) Artificial devices individually designed, constructed or altered solely for the use of a particular crippled person so as

to become a brace, support, supplement, correction or substitute for the bodily structure including the extremities of the individual;

(c) Artificial limbs, artificial eyes, hearing aids individually designed, constructed or altered solely for the use of a particular disabled person;

(d) Artificial teeth sold by a dentist;

(e) Eye glass when especially designed or prescribed by an ophthalmologist, physician, oculist or optometrist for the personal use of the owner or purchaser;

(f) Crutches and wheelchairs for the use of invalids and crippled persons.

(11) Section (10) of this Act shall become effective July 1, 1970.

Committee Substitute SB 4, AN ACT relating to the sales tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 139 of the Kentucky Revised Statutes is created to read as follows:

(a) "Prescription medicine" shall mean and include any substance or preparation intended for use by external or internal application to the human body in the diagnosis, cure, mitigation, treatment or prevention of disease and which is commonly recognized as a substance or preparation intended for such use which is prescribed for the treatment of a human being by a person authorized to prescribe the medicines and dispensed on prescription by a registered pharmacist in accordance with law.

(b) "Prosthetic devices and physical aids" for the purpose of this Act shall mean and include artificial devices individually designed, constructed or altered solely for the use of a particular crippled person so as to become a brace, support, supplement, correction or substitute for the bodily structure including the extremities of the individual; artificial limbs, artificial eyes, hearing aids individually designed, constructed or altered solely for the use of a particular disabled person; crutches and wheelchairs for the use of invalids and crippled persons.

(c) The terms "sale at retail", "retail sale", "use", "storage" and "consumption" as used in Chapter 139 of the Kentucky Revised Statutes shall not include the sale, use, storage or consumption of prescription medicine, prosthetic devices and physical aids.

Section 2. This Act shall become effective January 1, 1971.

The Committee on Rules reported **HR 37** has been posted for passage in Orders of the Day, February 3, 1970.

The Committee on Rules reported **HB 36, HB 74, HB 90, HB 99, HB 129, HB 130, HB 139, HB 183, HB 201, SB 21, SB 42** and **SB 44** have been posted for passage in Orders of the Day, February 4, 1970.

The Committee on Rules reported **HB 82** has been recommitted to the Committee on Appropriations and Revenue.

Speaker Carroll presiding.

Motions, Petitions and Communications

Representative Kenton moved that **HB 147** be recommitted to the Committee on Elections and Constitutional Amendments. Agreed.

Representative McBrayer moved that **HB 324, HB 325** and **HB 326** be withdrawn from the Committee on Appropriations and Revenue and referred to the Committee on Business Organizations and Professions. Agreed.

Representative Kleier moved that the rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Representative Kleier moved that action be deferred on the motion to suspend the rules for Introduction of Bills and Resolutions. Agreed.

Orders of the Day

Representative McBrayer moved that consideration of **HB 25,** with Committee Amendment attached thereto, be deferred and that it retain its position in Orders of the Day. Agreed.

HB 212, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Head moved the adoption of the Committee Amendment to **HB 212.** Agreed.

On the roll call the vote was yeas 90—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 212 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 212** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HJR 16 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 93—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene,

Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Osborne, Parish, Paxton, Peak, Prather, Priddy, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HJR 16 was passed and the title agreed to.

HR 37 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative McBrayer moved the adoption of **HR 37.**

HR 37, A RESOLUTION honoring the League of Women Voters.

WHEREAS, the League of Women Voters, which was founded in 1920 primarily to help 20 million women voters to carry out their new responsibilities, has in fact assisted men and women voters alike; and

WHEREAS, the League of Women Voters has provided non-partisan information on candidates and ballot issues prior to elections, encouraged registration and informed voting and helped generations of women understand the structure and function of government; and

WHEREAS, the League of Women Voters of Kentucky was established in 1920 to this same end; and

WHEREAS, the League of Women Voters of Kentucky has worked to promote responsible participation by all citizens in their government; and

WHEREAS, the League of Women Voters, while non-partisan in relation to candidates and political parties, has studied and acted upon many issues of government in the public interest; and

WHEREAS, the League of Women Voters of Kentucky has strengthened state government in Kentucky through its work on such issues as Reorganization of State Government, Permanent

Registration, Comparative Signature Check, Mental Health Services, Child Welfare Services, and the Minimum Foundation Act; and

WHEREAS, the local Leagues of Women Voters in cities throughout the Commonwealth have contributed to improvement of local government through work in such areas as Juvenile Courts, Public Health Services, and Public School Education;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives of the Commonwealth of Kentucky hereby congratulates the League of Women Voters for its promotion of informed and active participation of all citizens in government.

Section 2. That the Chief Clerk be hereby directed to transmit copies of this resolution to the president of the League of Women Voters of the United States, Mrs. Bruce B. Benson, 1730 M Street, N.W., Washington, D.C. and to the president of the League of Women Voters of Kentucky, Mrs. John G. Dietrich, 115 South Ewing Avenue, Louisville, Kentucky 40206.

On the roll call the vote was yeas 94—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HR 37 was passed and the title agreed to.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 38** had been examined and found correctly enrolled. **SB 38** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Announcements

There will be a joint meeting of the House and Senate Committee on Education for an open hearing on **HB 57,** Room 327, Wednesday, February 4, 1970, 9:00 to 11:00 a.m.

The Clerk announced the following Bills and Resolutions were posted for consideration:

Banking and Insurance: **HB 226, HB 184, HB 307.** (Room 402, February 10, 1970, 9:30 a.m.)

Cities: **HB 320.** (Room 401, February 5, 1970, 11:00 a.m.)

Counties and Special Districts: **HB 41, HB 81, HB 123, HB 155, HB 156, HB 165, HB 182, HB 205, HB 245, HB 260, HB 264, HB 265.** (Room 402, February 5, 1970, 11:00 a.m.)

Health and Welfare: **HB 171, HB 185, HB 223, HB 247.** (Room 401, February 4, 1970, 10:00 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Banking and Insurance: **HB 174.**

The Clerk announced the following Bills and Resolutions were posted for discussion:

Public Utilities and Transportation: **HB 56, HB 194, HB 197, HB 227, HB 234.** (Room 402, February 4, 1970, 9:30 a.m.)

Representative Kleier moved that the rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 363, by Representatives Holloway, Wright, Baker, Osborne and Schmidt: AN ACT relating to differentiated salaries for teachers during the 1970-72 biennium.

HB 364, by Representatives Holloway, Wright, Schmidt, Osborne and Baker: AN ACT relating to Textbooks and Materials for Experimental Purposes.

HB 365, by Representatives Holloway, Wright, Blythe, Osborne, Schmidt and Baker: AN ACT relating to the certification of teachers in non-tax supported schools.

HB 366, by Representatives Kleier, Holloway, Blythe, Kidd, Wyatt, Blume and Wright: AN ACT proposing to amend Section 160 of the Constitution of Kentucky, relating to cities.

HB 367, by Representatives Huff and DeMarcus: AN ACT relating to the advertising of distilled spirits, wines and malt beverages.

HB 368, by Representatives Huff and DeMarcus: AN ACT relating to the licensing of distilled spirits, wines and malt beverages wholesalers or retailers.

HB 369, by Representatives Holloway, DeMarcus, Schmidt and Baker: AN ACT relating to the Minimum Foundation Program and the employment of para-professionals and teacher aides.

HR 39, by Representatives Holloway, Osborne, Schmidt, Wright, Blythe and Baker: A RESOLUTION requesting the appointment of an Educational Innovation Task Force.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Wednesday, February 4, 1970.

On the roll call the vote was yeas 75—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keith, Kenton, Kidd, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Russell Reynolds, T. P. Reynolds, Rickert, Salyers, Schmidt, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 4—King, Ray, Reed, Siemens.

The motion to adjourn was adopted.

WEDNESDAY, FEBRUARY 4, 1970

TWENTY-FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by the Reverend Herman M. Bowers, First Baptist Church, Frankfort.

The roll was called. All present except Representatives Haney, Knuckles, McGill and Reed.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 3, 1970 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 370, by Representatives W. J. Reynolds, Prather, McBrayer and Blume: AN ACT relating to water pollution control.

HB 371, by Representative Isler: AN ACT relating to police and fire departments in second and third class cities.

HB 372, by Representatives Yocom, Nett, Kleier, Priddy, and Siemens: AN ACT relating to exemptions on sales tax.

HB 373, by Representatives DeMarcus, West, W. Davis, Durham, J. E. White, H. Brown and Osborne: AN ACT relating to the regulation of detention facilities.

HB 374, by Representatives DeMarcus, West, Durham, J. E. White, W. Davis, H. Brown and Osborne: AN ACT relating to temporary custody of a child.

HB 375, by Representatives DeMarcus, West, Durham, W. Davis, J. E. White, H. Brown, Stuart and Osborne: AN ACT relating to new birth certificates in adoption cases.

HB 376, by Representatives DeMarcus, West, Wheeler, W. Davis, Durham, J. E. White, H. Brown, Stuart and Osborne: AN

ACT relating to juvenile court commitments of needy, neglected, and dependent children to the Department of Child Welfare including provisions for annual reports of the Department to the courts.

HB 377, by Representatives DeMarcus, West, Durham, J. E. White, W. Davis, H. Brown and Osborne: AN ACT excluding foster homes, group homes, child-caring institutions or agencies and day-care centers from definition as restaurant.

HB 378, by Representatives DeMarcus, West, Durham, W. Davis, J. E. White, H. Brown and Osborne: AN ACT relating to the involuntary termination of parental rights.

HB 379, by Representatives DeMarcus, West, Wheeler, Durham, W. Davis, J. E. White, H. Brown, Stuart and Osborne: AN ACT relating to the enlargement of the Kentucky Advisory Council to include representatives of recipients of Child Welfare services.

HB 380, by Representatives DeMarcus, West, Durham, J. E. White, W. Davis, H. Brown and Osborne: AN ACT relating to advisory councils for the Department of Child Welfare.

HB 381, by Representatives DeMarcus, West, W. Davis, Durham, J. E. White, H. Brown and Osborne: AN ACT giving the juvenile courts the right to consent or order medical treatment or surgical operations.

HB 382, by Representative Freeman: AN ACT relating to solid waste disposal.

HB 383, by Representatives Dorris and E. G. Brown: AN ACT changing the classification of the City of Auburn in Logan County.

HB 384, by Representative Roberts: AN ACT relating to solid waste disposal.

HB 385, by Representative Blume: AN ACT relating to the sales and usage tax.

Report of Committees

The Committee on Rules reported **HB 88** has been posted for passage in Orders of the Day, February 5, 1970.

The Committee on Health and Welfare reported **HB 114, HB 185,** and **HB 247** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 114, AN ACT relating to the employment of the handicapped.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 195.150 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 195.150 to 195.200, unless the context otherwise requires, "commission" means the Kentucky Commission on Employment of the [Physically] Handicapped.

Section 2. Section 195.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) There is hereby created a Kentucky Commission on Employment of the [Physically] Handicapped within the Department of Economic Security. The commission shall consist of twenty-two members and shall include the Commissioner of the Department of Economic Security, the Superintendent of Public Instruction and twenty members to be appointed by the Governor. A chairman of the commission shall be elected at the first meeting and annually thereafter from the twenty appointed members.

(2) Of the twenty members first appointed by the Governor five shall serve for terms of one year, five for terms of two years, five for terms of three years and five for terms of four years. At the expiration of these terms appointments shall be for terms of four years. All twenty appointees shall be eligible for reappointment and shall serve until their successors have been appointed and qualified. Vacancies occurring prior to the expiration of a term shall be filled by the Governor for the remainder of the unexpired term.

(3) The commission shall meet at least four times annually on call of the chairman or on the written request of any eleven members. A majority of the members of the commission shall

constitute a quorum for the transaction of business. If at any time the Commissioner of the Department of Economic Security or the Superintendent of Public Instruction is unable to attend a commission meeting he shall designate another person who has authority to act in his behalf at the meeting and who shall be considered a member of the commission for the purpose of obtaining a quorum and transacting business.

Section 3. Section 195.180 of the Kentucky Revised Statutes is amended to read as follows:

The duties of the commission shall be to:

(1) Promote and aid in the establishment of local programs supporting the employment of the [physically] handicapped;

(2) Conduct continuing programs of public information and promotion to educate the public as to problems of employment of the [physically] handicapped;

(3) Review existing state programs for employment of the [physically] handicapped and make recommendations to the Governor, to the appropriate departments and agencies of the state, and to the General Assembly for improvements in and additions to such programs;

(4) Assist and encourage governmental and private agencies to coordinate their efforts on behalf of employment of the [physically] handicapped;

(5) Cooperate with the federal government and with the governments of other states and cities in programs relating to the [physically] handicapped;

(6) Cooperate with all groups interested in job adjustment and employment of the [physically] handicapped, including government agencies, organizations, private groups and individuals;

(7) Furnish the Department of Economic Security an annual report together with recommendations.

HB 185, AN ACT relating to housing authorities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 80.050 of the Kentucky Revised Statutes is amended to read as follows:

The persons appointed as provided in KRS 80.030 and 80.040 shall constitute a body corporate in the name of *Housing Authority of* ---------- [Municipal Housing Commission], with power to contract and be contracted with, to sue or be sued, and to adopt a seal and alter it at will. Each *authority* [commission] may establish bylaws, rules and regulations for its own government. Each *authority* [commission] shall elect a chairman and a vice-chairman from its members and a secretary and treasurer who need not be a member of the *authority* [commission]. The duties of the offices of secretary and treasurer may be performed by the same person.

Section 2. Section 80.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) An *authority* [commission] may rent or lease the dwelling accommodations in a housing project only to persons or families who lack the amount of income deemed necessary by the *authority* [commission] to enable them, without financial assistance, to live in decent, safe and sanitary dwellings, without overcrowding.

(2) An *authority* [commission] may rent or lease to a tenant dwelling accommodations consisting only of the number of rooms that it deems necessary to provide safe and sanitary accommodations to the proposed occupants without overcrowding.

(3) The dwellings in any housing project shall be available solely for families of low income. Income limits for occupancy and rents shall be fixed by the authority after taking into consideration:

(a) The family size, composition, age, physical handicaps, and other factors which might affect the rent paying ability of the family, and

(b) The economic factors which affect the financial and solvency of the housing project.

[A commission shall not accept any person as a tenant in any housing project if the person or persons who would occupy the dwelling accommodations have an annual net income in ex-

cess of five times the annual rental of the accommodations, except that in the case of families with three or more minor dependents the ratio shall not exceed six to one. In computing the rental for this purpose there shall be included in the rental the average annual cost, as determined by the commission, to occupants for heat, water, electricity, gas, cooking range and other necessary services or facilities, whether or not the charge for such services and facilities is in fact included in the rental.]

(4) *The authority shall issue regulations establishing eligibility requirements, consistent with the purposes and objectives of this Act, for admission to and continued occupancy in its projects.* [Nothing contained in subsections (1), (2) and (3) of this section shall limit the power of a commission to vest in an obligee of the commission the right, in the event of a default by the commission, to take possession of a housing project or cause the appointment of a receiver thereof, free from all the restrictions imposed by this section.]

(5) Nothing contained in subsections (1), (2), (3) and (4) of this section shall limit the power of an authority to vest in an obligee of the authority the right, in the event of a default by the authority, to take possession of a housing project or cause the appointment of a receiver thereof, free from all the restrictions imposed by this section.

Section 3. A new section of Chapter 80 of the Kentucky Revised Statutes is created to read as follows:

(1) If the governing body of a city and of a contiguous county by resolution declare that there is a need for one housing authority to be created for the city and county to exercise in that city and county the powers and functions prescribed for a city-county housing authority, a public body corporate and politic to be known as a "City-County Housing Authority" (with such corporate name as it selects) shall thereupon exist for all of that city and county and exercise its powers and other functions within its area of operation (as herein defined) including the power to undertake projects therein.

Provided, however, if there is an existing municipal or county housing commission, such resolution of the governing bodies of the city and contiguous county shall not take effect

unless preceded by a request to do so in a resolution of the existing municipal or county housing commission or commissions. Such resolution of the governing body of a city and of a contiguous county shall also provide for the abolishment of any municipal and contiguous county housing commissions existing in the city and county adopting the resolution, on a day certain, on which day the authority, responsibilities, personnel and property, both real and personal, of said municipal and contiguous county housing commissions are then and there transferred to the newly created city-county housing authority, and the present commissioners of the existing municipal and contiguous county housing commissions shall continue to serve out their appointed terms as members of the newly created city-county housing authority. Thereafter, appointments shall be made as provided in this Act.

The city and county housing commission to be abolished are hereby authorized and directed to take such actions and to execute such documents as will carry into effect the provisions and the intent of the resolutions and as will carry into effect said transfer.

On the day set in the resolutions of the city and contiguous county governing bodies:

(a) Any housing commission in said city and any housing commission in the contiguous county shall cease to exist as a body politic and corporate;

(b) All property, real and personal and mixed, belonging to the abolished city and contiguous county housing commissions shall vest in, belong to, and be the property of the city-county housing authority;

(c) All judgments, liens, rights of liens, and causes of action of any nature, in favor of the abolished commissions, shall remain, vest in, and inure to the benefit of the city-county housing authority;

(d) All rentals, taxes, assessments, and any other funds, charges or fees, owing to the abolished commissions shall be owned to and collected by the city-county housing authority;

(e) Any actions, suits, and proceedings pending against, or having been instituted by the abolished housing commissions shall not be abated by such abolition, but all such actions, suits

and proceedings shall be continued and completed in the same manner as if abolition had not occurred, and the city-county housing authority shall be a party to all such actions, suits, and proceedings in the place and stead of the abolished housing commissions and shall pay or cause to be paid any judgments rendered against the abolished housing commissions in any such actions, suits, or proceedings, and no new process need be served in any such actions, suits or proceedings;

(f) All obligations of the abolished housing commission, including outstanding indebtedness, shall be assumed by the city-county housing authority, and all such obligations and outstanding indebtedness shall be constituted obligations and indebtedness of the city-county housing authority; and

(g) All rules, regulations and policies of the abolished housing commissions shall continue in full force and effect until repealed or amended by the city-county housing authority.

(2) The creation of a city-county housing authority shall be subject to the same provisions and limitations of KRS 80.310 to 80.610 as are applicable to a regional housing authority.

(3) The area of operation of a city-county housing authority shall include all of the territory within the boundaries of the city and contiguous county joining in the creation of the authority.

Section 4. A new section of Chapter 80 of the Kentucky Revised Statutes is created to read as follows:

The city-county housing authority shall be composed of eight members. The mayor shall appoint four members, and the county judge shall appoint four members. Two of the four members appointed by the mayor shall be designated to serve for terms of two years and two for terms of four years, respectively, from the date of their appointments. Two of the four members appointed by the county judge shall be designated to serve for terms of two years, and two for terms of four years, respectively, from the date of their appointments. Thereafter, all members of the city-county housing authority shall be appointed as aforesaid for a term of office of four years, except that all vacancies shall be filled for the unexpired terms.

Section 5. Section 80.510 of the Kentucky Revised Statutes is amended to read as follows:

County housing *authorities, city-county housing authorities,* [commissions] and regional housing *authorities* [commissions] are specifically empowered and authorized to borrow money, accept grants and exercise their powers to provide housing for farmers of low income. In connection with such projects, any such housing *authority* [commission] may enter into such leases or purchase agreements, accept such conveyances and rent or sell dwellings forming part of such projects to or for farmers of low income, as such housing *authority* [commission] deems necessary in order to assure the achievement of the objectives of KRS 80.310 to 80.610. Such leases, agreements or conveyances may include such covenants as the housing *authority* [commission] deems appropriate regarding such dwellings and the tracts of land described in any such instrument, which covenants shall be deemed to run with the land where the housing *authority* [commission] deems it necessary and the parties to such instrument so stipulate. Nothing in this section shall limit any other powers of any housing *authority* [commission].

Section 6. The Reviser of Statutes is hereby directed to delete the title "housing commission" or "commission" wherever it appears in the Kentucky Revised Statutes, and is directed to substitute therefor, wherever a deletion is made, the title "housing authority" or "authority."

Section 7. The Reviser of Statutes is hereby directed to delete the title "commissioner" wherever it appears in Chapter 80 of the Kentucky Revised Statutes, and is directed to substitute therefor, where a deletion is made, the title "member."

HB 247, AN ACT relating to public assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 205 of the Kentucky Revised Statutes is created to read as follows:

The amount allowed by the Department of Economic Security as a special circumstance allowance for nursing care for

a recipient of old age assistance who lives alone in his own home shall not be less than sixty dollars per month.

Calendar

HB 1, HB 18, HB 177, HB 216, HB 225, HB 192, HB 208, HB 276, HB 297, HB 333 and **SB 4** with Committee Substitute attached thereto taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

Representative McBrayer moved that **SB 21** with Committee Amendment attached thereto be substituted for **HB 25** with Committee Amendment attached thereto.

Representative McBrayer moved that consideration of **SB 21** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 36 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 85—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, May, Mershon, Miller, Mitchell, Osborne, Parish, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 1—Paxton.

HB 36 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 36** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 74 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89—Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 74 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 74** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **SB 32, SB 35, SB 66, SB 116, SB 124, SB 125** and **HB 68.**

SB 21, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Roberts moved the adoption of the Committee Amendment to **SB 21.** Agreed.

On the roll call the vote was yeas 93—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

SB 21 as amended was passed and the title agreed.

Representative McBrayer moved that the vote by which **SB 21** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 90 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Ray, Russell Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz,

West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 90 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 90** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 99 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 92—Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 99 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 99** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 129 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 74—Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, Walter Davis, DeMarcus, Deskins, Don-

nermeyer, Dorris, Durham, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keene, Keith, Kessinger, Kidd, King, Lindsay, Louden, Lovins, McBride, McCann, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Rattliff, Ray, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Stuart, Tobin, Wenz, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 6—Alexander, H. Brown, Kenton, Swinford, Van Horn, West.

HB 129 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 129** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 130 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 52—Allen, Arnett, Blandford, Bleemel, Blume, Carroll, Chapman, Clapp, Clarke, Conn, Deskins, Donnermeyer, Dorris, Durham, Freeman, Graves, Head, Hughes, Isler, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Louden, Lovins, McBride, McCann, May, Mershon, Miller, Murphy, Nett, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Ruh, Salyers, Siemens, Swinford, Wenz, Wible, Wyatt, Yocom. Nays 25—Baker, Bartley, Blythe, A. Brown, H. Brown, W. Davis, DeMarcus, Floyd, L. Hardin, Hinkle, Holloway, McNamara, Massey, Mitchell, Osborne, Rattliff, Rickert, Sharpe, Simmons, Stuart, Van Horn, Wells, West, G. White, J. White.

HB 130 was passed and the title agreed to.

Representative King moved that the vote by which **HB 130** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 139** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 183 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 90—Alexander, Allen, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 183 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 183** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Rickert moved that **HB 201** be recommitted to the Committee on State Government. Agreed.

SB 44 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell,

Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

SB 44 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **SB 44** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 42 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clapp moved that **SB 42** be laid on the Clerk's desk.

Representative Roberts moved that **SB 42** be laid on the table.

On the roll call the vote was yeas 10—Bartley, Archie Brown, Collins, Keene, Osborne, Peak, Roberts, Sharpe, Van Horn, West. Nays 74—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, E. G. Brown, H. Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Conn, Curlin, J. A. Davis, W. Davis, Deskins, Donnermeyer, Dorris, Durham, Freeman, Graves, J. Hardin, L. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keith, Kenton, Kessinger, King, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, Massey, May, Mershon, Miller, Murphy, Parish, Paxton, Pollitte, Prather, Priddy, Rattliff, Ray, R. Reynolds, T. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Siemens, Simmons, Stuart, Swinford, Tobin, Wells, Wenz, G. White, J. White, Wible, Wright, Wyatt.

The motion that **SB 42** be laid on the table was rejected.

Representative Clapp moved that **SB 42** be laid on the Clerk's desk. Agreed.

Representative Clapp moved that **SB 42** be taken from the Clerk's desk and placed upon its passage. Agreed.

Representative Paxton moved the Previous Question on **SB 42.** Agreed.

Representative Murphy moved that **SB 42** be laid on the Clerk's desk. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 68** had been examined and found correctly enrolled. **HB 68** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 68 delivered, signed by President. Ordered delivered to the Governor.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 362.**

Appropriations and Revenue: **HB 356, HB 357, HB 358.**

Banking and Insurance: **HB 360.**

Business Organizations and Professions: **HB 355, HB 361, HB 367, HB 368.**

Cities: **HB 354.**

Education: **HB 352, HB 363, HB 364, HB 365, HB 369.**

Elections and Constitutional Amendments: **HB 366.**

Highways and Traffic Safety: **HR 38.**

Labor and Industry: **HB 350, HB 359.**

Public Utilities and Transportation: **HB 351.**

State Government: **HB 353.**

Rules: **HR 39.**

Announcements

Representative Rickert announced a meeting of the Committee on State Government fifteen minutes after adjournment, February 5, 1970, Room 401.

The Clerk announced the following Bills and Resolutions were posted for consideration:

Cities: **HB 327.** (Room 401, February 5, 1970, 11:00 a.m.)

Judiciary: **HB 29.** (Room 402, February 5, 1970, 9:30 a.m.)

State Government: **HB 42, HB 193, HB 204, HB 201.** (Room 401, fifteen minutes after adjournment, February 5, 1970)

Education: **HB 49, HB 57, HB 142, HB 255, HB 256, HB 126, HB 150, HB 206, HB 209.** (Room 401, February 5, 1970, 10:00 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Agriculture and Natural Resources: **HB 53.**

The Joint Committee on Education hearing on **HB 57** will continue at 3:00 p.m. today in the Senate chamber.

There will be a special meeting of the Committee on Business Organizations and Professions, February 6, 1970, 10:00 a.m., Room 401.

Announcement was made of a Workmen's Compensation hearing to be held at 9:00 a.m., February 12, 1970. Invitation was issued to all members of the General Assembly by Robert D. Preston, Commissioner of Insurance.

Representative McBrayer moved that the Rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 386, by Representatives Curlin, Carroll and J. O. Hardin: AN ACT relating to travel expenses of state officers.

HB 387, by Representative Curlin: AN ACT relating to the custodial care of mental patients in private homes, private nursing homes and private institutions.

HB 388, by Representatives Baker and Wyatt: AN ACT relating to crimes and punishments.

HB 389, by Representative Baker: AN ACT relating to the operation of motor vehicles.

HB 390, by Representatives Curlin and McBrayer: AN ACT relating to insurance licenses, fees and miscellaneous charges.

HB 391, by Representatives Conn, Wyatt, Clarke and Blume: AN ACT relating to reporting of firearms sales to police.

HB 392, by Representatives Lindsay and Carroll: AN ACT relating to sales tax.

HB 393, by Representatives Keene, Stuart, Mershon, Ruh, Miller, Blythe, Holloway, Simmons and Wheeler: AN ACT to require the teaching of the general practice of medicine in all medical schools established and receiving financial assistance from the State of Kentucky.

HB 394, by Representative Wright: AN ACT relating to the Professional Practices Commission.

HB 395, by Representatives Kenton, R. Reynolds and W. J. Reynolds: AN ACT relating to industrial loan corporations.

HR 40, by Representatives Curlin, W. J. Reynolds, J. O. Hardin, McBrayer, Carroll and Rickert: A RESOLUTION honoring the Boy Scouts of America.

HJR 41, by Representative Wright: A JOINT RESOLUTION directing the Department of Education to provide instruction relating to State Government.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Thursday, February 5, 1970.

On the roll call the vote was yeas 61—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blythe, Edward G. Brown, Hershel Brown, Carter, Chapman, Clarke, Conn, James A. Davis, Walter Davis, Deskins, Donnermeyer, Freeman, Graves, John O. Hardin, L. T. Hardin, Hinkle, Holloway, Hughes, Keith, Kenton,

Kidd, King, Kleier, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Russell Reynolds, T. P. Reynolds, Rickert, Salyers, Schmidt, Swinford, Van Horn, Wenz, West, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 3—Priddy, Ray, W. J. Reynolds.

The motion to adjourn was adopted.

THURSDAY, FEBRUARY 5, 1970

TWENTY-FIFTH LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by the Reverend Herman M. Bowers, First Baptist Church, Frankfort.

The roll was called. All present except Representatives Bleemel, Haney, Knuckles, McGill and Rattliff.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 4, 1970 be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **HB 3, HB 15** and **SB 96.**

Introduction of Bills and Resolutions

HB 396, by Representatives Collins, Freeman, H. Brown, Huff, Wright, West and A. Brown: AN ACT relating to public assistance.

HB 397, by Representative Louden: AN ACT relating to insurance for employes of the Department of Highways.

HB 398, by Representative DeMarcus: AN ACT relating to libraries.

HB 399, by Representative Freeman: AN ACT relating to solid waste disposal.

HB 400, by Representative Curlin: AN ACT relating to public employes.

HB 401, by Representative Curlin: AN ACT relating to public offices and employes.

HB 402, by Representatives E. G. Brown and Massey: AN ACT relating to municipal improvements.

HB 403, by Representatives Van Horn and Kenton: AN ACT relating to tax credits on income tax.

HB 404, by Representative Van Horn: AN ACT relating to public utilities.

HB 405, by Representative Van Horn: AN ACT relating to the financial responsibility law for motor vehicle operators.

HB 406, by Representatives Huff and DeMarcus: AN ACT relating to alcoholic beverage licenses.

HB 407, by Representatives Kenton and Mershon: AN ACT relating to coroners.

HR 42, by Representatives Osborne and Wells: A RESOLUTION honoring Earle Combs and congratulating him upon his election to the Baseball Hall of Fame.

HCR 43, by Representatives Osborne and Keene: A CONCURRENT RESOLUTION relating to Camp Ground Reservoir.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 372, HB 385, HB 386, HB 390, HB 392.**

Banking and Insurance: **HB 395.**

Business Organizations and Professions: **HB 377, HB 391, HB 394.**

Cities: **HB 371, HB 383.**

Education: **HR 41.**

Elections and Constitutional Amendments: **SB 66.**

Health and Welfare: **HB 373, HB 374, HB 375, HB 376, HB 382, HB 387, HB 393, SB 116, SB 124.**

Highways and Traffic Safety: **SB 125.**

Judiciary: **HB 378, HB 381, HB 388, HB 389, SB 32, SB 35.**

State Government: **HB 370, HB 379, HB 380, HB 384.**

Rules: **HR 40.**

Report of Committees

The Committee on Rules reported **HB 18** with Committee Substitute attached thereto, **HB 1** with Committee Amendment attached thereto, **SB 4** with Committee Substitute attached thereto, and **HB 333** have been posted for passage in Orders of the Day, February 6, 1970.

The Committee on Education reported **HB 255** with Committee Amendment attached thereto and **HB 256** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 255, AN ACT relating to Special Educational Programs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 157.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Exceptional children" means children who differ in one or more respects from average or normal children in physical, mental, emotional or social characteristics and abilities to such a degree that it is impractical or impossible for them to benefit from, or participate in, the regular or usual facilities or classroom programs of the public schools in the districts in which they reside. These childrens' educational needs require a modification of the usual classroom program in order for them to obtain the maximum of their abilities and capabilities. These children include, but are not limited to, those children hereafter described in KRS 157.200 as well as the neurologically impaired, the intellectually gifted, the emotionally disturbed, the functionally retarded, children with learning disabilities, communications disorders and those children who are multiply handicapped.

[(1) "Exceptional children" means children who differ or deviate from the average or normal children in physical,

mental, emotional or social characteristics and abilities to the extent that they require specialized education in order to attain the maximum of their abilities and capacities.]

(2) "Physically handicapped children" means children, other than those with a speech defect, of sound mind [between the ages of three and twenty-one years] who suffer from any physical disability making it impracticable or impossible for them to benefit from or participate in the normal classroom program of the public schools in the school district in which they reside and whose intellectual development is such that they are capable of being educated through a modified educational program.

(3) "Speech defective children" means children [between the ages of six and twenty-one] whose speech has been diagnosed by a speech correctionist as deviating or differing from average or normal speech to the extent of hindering adequate communication and requiring specialized instruction for improvement or correction of the handicap.

(4) "Educable mentally handicapped children" means children [between the ages of six and twenty-one years] who because of retarded intellectual development, as determined by recognized standardized tests, are incapable of being educated profitably and efficiently through ordinary classroom instruction but whose intellectual ability would indicate a degree of scholastic attainment with the benefit of special educational methods, materials, and facilities.

(5) "Trainable mentally handicapped children" are mentally handicapped children [between the ages of six and twenty-one years] who, because of retarded intellectual development, are incapable of being educated properly and efficiently through ordinary classroom instruction or special education facilities for educable mentally handicapped children, but who may be expected to benefit from training in a group setting designed to further their social adjustment and economic usefulness. [in their homes or in a sheltered environment.]

(6) "Children" means all persons under 21 years of age.

(7) [6] "Special educational facilities" means special schools, special classes, and special instruction. All special edu-

cation facilities shall be under the supervision of the Superintendent of Public Instruction.

Section 2. This Act shall become effective July 1, 1970.

The Committee Amendment to **HB 255** is as follows:

Amend printed copy of House Bill 255 on page 3, between lines 17 and 18, by inserting the following:

"(8)" Children with learning disabilities" are those children who have a disorder in one or more of the basic psychological processes involved in understanding or using language, spoken or written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations. Such disorders include such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia. Such term does not include children who have learning problems which are primarily the result of visual, hearing, or motor handicaps, of mental retardation, of emotional disturbance, or of environmental disadvantage."

HB 256, AN ACT relating to the coordination of programs for exceptional children, and the provision of special educational programs to benefit the same.

WHEREAS, there is a need to assure that exceptional children, as defined in KRS 157.200, will not be denied their right to an education or to training and services according to their needs and abilities, and

WHEREAS, there is a necessity to provide for the establishment of educational or training opportunities for each exceptional child who is physically or mentally capable of benefiting from education or training,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby established a Task Force (called the "State Task Force") of the Human Resources Coordinating Coun-

cil (called the "Council"). The State Task Force shall consist of eleven members of the public, no more than five of whom shall be professionally involved with the problems of exceptional children. The Governor shall appoint within 60 days of the effective date of this Act, upon recommendation of the Council, one person involved in the training of exceptional children, one person from the Department of Education, and nine other citizens of the Commonwealth. Incorporated, non-profit organizations whose membership is state-wide and whose purposes include the fostering or providing of programs for exceptional children may recommend nominees to the Council. Designates from each department represented on the Human Resources Coordinating Commission, and the Medical Director of the Commission for Handicapped Children or his designate, shall serve in an advisory capacity to the State Task Force. The first meeting of the State Task Force shall be called by the Council within 90 days of the effective date of this Act. The State Task Force shall elect a Chairman from its own number, adopt bylaws for the conduct of its business, and appoint committees, provided that each committee shall include at least one member of the State Task Force. Members of the State Task Force shall serve without compensation, but shall be reimbursed for all necessary expenses.

(2) The powers and duties of the State Task Force shall include:

(a) surveying needs, and the resources available, for special education, training, and related services for exceptional children in this Commonwealth;

(b) recommending regulations to the Department of Education, and other departments dealing with exceptional children;

(c) employing independent professional organizations and staff for services not readily available;

(d) fixing the terms of service of members of regional task forces;

(e) receiving and evaluating reports of regional task forces, and making recommendations to and receiving recommendations from regional task forces and regional councils;

(f) assuming the powers and responsibilities of any re-

gional task force which, in the judgment of the State Task Force, can not or will not fulfill its functions, powers, or responsibilities;

(g) serving in an advisory capacity to the Department of Education, to the Legislative Research Commission, and to the Human Resources Coordinating Commission and Council:

(h) making recommendations to the Council, to school boards, to governmental agencies, to the Legislative Research Commission, and to the Legislature with respect to special education programs and related services for exceptional children. Such recommendations may relate to, without limitation to, the recruitment and training of, and assistance to, teachers in special education facilities, the transportation of exceptional children, and the establishment of special education facilities within the time limitations imposed in this Act.

(3) Regional Task Forces shall be established to assist the State Task force in ascertaining needs, evaluating resources, and recommending plans for state-wide programs for exceptional children. Members of such regional task forces shall be appointed by the Regional Human Resources Council (called Regional Councils) after consultation with the Human Resources Commission and Council. Local incorporated, non-profit organizations whose purposes include the fostering of and the providing of programs for exceptional children may recommend nominees for regional task forces.

Section 2. By July 1, 1971, each regional task force shall submit plans for implementation of special education programs and coordinated services for exceptional children through the Regional Council to the State Task Force. Upon failure of one or more of said regional task forces to submit such implementation plans, the State Task Force shall prepare and submit such plans to the regional council or councils and State Council.

Section 3. On or before December 1, 1971, the State Task Force shall submit its final reports and recommendations to the Human Resources Coordinating Commission and Council which shall in turn submit the report to the Governor, State Board of Education, and the Legislative Research Commission.

Section 4. By July 1, 1974, all county and independent boards of education shall operate special education programs to

the extent required by, and pursuant to, a plan which has been approved by the State Board of Education after consideration of the recommendations from the State Task Force and the Human Resources Coordinating Commission and Council. If any county or independent board of education has failed to operate and implement special education programs in accordance with the aforesaid plans, the application of said county or independent board of education for minimum foundation payments may be considered insufficient.

The Committee on Cities reported **HB 21** with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

The Committee on Cities reported **HB 178, HB 300** and **HB 327** with Committee Amendment attached thereto with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 178, AN ACT relating to allowing cities or counties to provide ambulance service by contract or otherwise.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 65 of the Kentucky Revised Statutes is created to read as follows:

In order to enable cities and counties to fulfill their obligations regarding the public health, safety, and welfare the General Assembly does hereby allow cities and counties to contract with private persons, partnerships, or corporations for providing ambulance service to the residents of such cities and counties subject to the following conditions:

(1) All such contracts must be in writing and must be approved by the city council or board of aldermen if a city is party thereto, or by the fiscal court in case a county is party thereto.

(2) No contract shall be made with an ambulance service or other organization or person unless such contract shall stipulate that all persons operating the ambulance vehicles shall possess currently valid American Red Cross standard and ad-

vanced training certification and are at least twenty years of age.

(3) All contracts made with any ambulance service or other organization or person shall stipulate that all vehicles used for operation of the service be not more than five years old and that all vehicles used for operation of the service shall be equipped with such equipment as may then be listed on the minimum equipment list of the Committee on Trauma of the American College of Surgeons.

(4) All contracts shall include the stipulation that at least two trained persons, one driver and one attendant, shall be carried on each ambulance for each ambulance call which is covered by such contract.

(5) No contract shall be made for a period of time greater than one year.

Section 2. A new section of Chapter 65 of the Kentucky Revised Statutes is created to read as follows:

No provisions of section one of this Act shall be construed as to limit the power of any city or county to contract for services under requirements which are stricter than those listed in this Act, or to require insurance or bonding of contractors, provided such provisions are not in conflict with the requirements of this Act.

Section 3. A new section of Chapter 67 of the Kentucky Revised Statutes is created to read as follows:

In addition to its other powers a county may provide for ambulance service for all sick and injured persons in the county either by operation of the service by the county; or by the county and any city or cities within the county cooperating to provide such service; or by the county contracting with a private person, partnership or corporation for providing such service; or by the county and a city or cities within the county contracting with a private person, partnership or corporation to provide such service. Any such service, whether operated by the county or contracted, shall meet the requirements imposed in section one of this Act.

HB 300, AN ACT relating to the classification of the City of Fort Wright.

WHEREAS, the fifth class city of Lookout Heights, Kenton County, Kentucky, has been merged with the fourth class city of Fort Wright, Kenton County, Kentucky, by vote of the residents in the 1966 general election,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The fourth class city of Fort Wright, Kenton County, Kentucky, is hereby recognized to include all the territory of the former fifth class city of Lookout Heights, Kenton County, Kentucky, which is now merged with the city of Fort Wright.

HB 327, AN ACT relating to the promotion of tourist and convention business.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 83.345 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commission shall be composed of seven members to be appointed by the mayor of the largest city in the county and the county judge, jointly, in the following manner:

(a) Two commissioners from a list submitted by the local city Hotel and Motel Association.

(b) One commissioner from a list submitted by the local county Hotel and Motel Association, provided that if only one local hotel and motel association exists which covers both the city and county, then three commissioners shall be appointed from a list submitted by it.

(c) One commissioner from a list submitted by the local Restaurant Association or Associations.

(d) One commissioner from a list submitted by the Chamber of Commerce of the largest city in the county.

(e) One commissioner by the mayor of the largest city in the county.

(f) One commissioner by the county judge.

(2) Vacancies shall be filled in the same manner that original appointments are made.

(3) The commissioner shall be appointed for terms of three years, provided, that in making the initial appointments, the mayor and county judge shall appoint two commissioners for a term of four years and three commissioners for a term of one year.

(4) The commission shall elect from its membership a chairman and a treasurer, and may employ such personnel and make such contracts as are necessary to effectively carry out the purpose of KRS 83.340 to 83.350. *Such contracts may include but shall not be limited to the procurement of promotional services, advertising services and other services and materials relating to the promotion of tourist and convention business; provided, contracts of the type enumerated shall be made only with persons, organizations, and firms with experience and qualifications for providing promotional services and materials such as advertising firms, Chambers of Commerce, publishers and printers.*

(5) The books of the commission shall be audited by an independent auditor who shall make a report to the commission, to the organization submitting names from which commission members are selected, and to the mayor and the county judge.

Section 2. Section 83.350 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commission shall annually submit to the local governing body or bodies which established it a request for funds for the operation of the commission for the ensuing year. The local governing body or bodies shall include the commission in the annual budget and shall provide funds for the operation of the commission by imposing a transient room tax, not to exceed three percent of the rent for every occupancy of a suite, room or rooms, charged by all persons, companies, corporations or other like or similar persons, groups or organizations doing busi-

ness as motor courts, motels, hotels, inns or like or similar accommodations businesses. Provision shall be made for the collection of the tax and the enforcement of the tax measure enacted.

(2) *A portion of the money collected from the imposition of this tax, as determined by the tax levying body, may be used to finance the cost of acquisition, construction, operation and maintenance of facilities useful in the attraction and promotion of tourist and convention business. The balance of the* [M] *m*oney collected from the imposition of this tax shall be used [solely] for the purposes set forth in KRS 83.340. [and in a first-class city or a county containing such a city shall not be used for real property capital expenditures or to] *Proceeds of the tax may not be used* to provide a subsidy in any form to any hotel, motel or restaurant. Money not expended by the commission during any fiscal year shall be used to make up a part of the commission's budget for its next fiscal year.

(3) The commission, *with the approval of the tax levying body,* may borrow money to pay its obligations that cannot be paid at maturity out of current revenue from the transient room tax, but shall not borrow a sum greater than can be repaid out of the revenue anticipated from the transient room tax during the year in which the money is borrowed. The commission may pledge its securities to secure the repayment of any sum so borrowed.

(4) The fiscal court or legislative body of a city is authorized and empowered to issue revenue bonds in accordance with procedures established in Chapter 58 of the Kentucky Revised Statutes for revenue bonds for public projects, as defined in said Chapter. Such bonds shall be issued in effectuating the purposes of this Act, to pay the cost, or a portion of the cost, of the acquisition of real estate, the construction of buildings and appurtenances thereto, the preparation of plans and specifications, and of legal and other services incidental to the project or to the issuance of the bonds. The payment of the bonds, together with the interest thereon, may be secured by a pledge of and a first lien on all of the receipts and revenue derived, or to be derived, from the rental or operation of the property involved. No bond issued under the authority of this act, and no obligation to pay interest thereon, shall constitute an indebtedness of the county

or city. All bonds sold under the authority of this act shall be subject to competitive bidding as provided by law, and shall bear interest at a rate not to exceed that established for bonds issued for public projects under Chapter 58 of the Kentucky Revised Statutes.

The Committee Amendment to **HB 327** is as follows:

Amend printed copy of House Bill 327 on page 3, line 22, by: deleting the period "." after the word *"business"* and inserting therein the words *"and shall include athletic stadiums."*

The Committee on Counties and Special Districts reported **HB 205**, with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 205, AN ACT relating to location of offices of circuit and county clerks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 28.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each circuit and county clerk shall keep his office *or offices* [within two hundred yards of the courthouse, and] open, free and accessible, at all reasonable times, except Sunday, to every person having a right or claim to business therein.

(2) In counties of less than 150,000 population and containing a city of the second class, where terms of the circuit courts are required to be held in the city of the second class, the county clerk shall keep an office, with all records, in the courthouse provided by the fiscal court in the city of the second class, as well as at the county seat.

Section 2. A new section of Chapter 186 of the Kentucky Revised Statutes is created to read as follows:

In any county containing a city of the first class, the county clerk and the circuit clerk shall maintain branch offices in each legislative district for the purpose of issuing motor vehicle registration plates and drivers' licenses. These offices may be lo-

cated in volunteer fire department stations or in other buildings used for a public purpose.

The Committee Amendment to **HB 205** is as follows:

Amend printed copy of House Bill 205 on page 2, line 3, by: deleting after the word "county" the words "containing a city of the first class"

and on line 4 after the word "clerk" by deleting the word "shall" and inserting in lieu thereof the word "may".

The Speaker resumed the Chair.

Calendar

HB 114, HB 185 and **HB 247** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Representative McBrayer moved that the rules be suspended for action on **HR 42.** Agreed.

Representative McBrayer moved the adoption of **HR 42.**

HR 42, A RESOLUTION honoring Earle Combs and congratulating him upon his election to the Baseball Hall of Fame.

WHEREAS, Earle Combs was an accessory before the fact in a certain "Murderers' Row"; and

WHEREAS, the many opposing teams which he assisted in "eliminating" during twelve seasons with the New York Yankees will bear witness to his effectiveness in this role; and

WHEREAS, this baseball prowess of a truly great Kentuckian has now enshrined him among the immortals of that profession, bringing great honor to himself and to the Commonwealth; and

WHEREAS, Earle Combs, the player, and Earle Combs, the man, are shining examples of achievement for men of all stations and abilities;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Earle Combs be and he hereby is congratulated for his selection to the Baseball Hall of Fame on February 1, 1970, and that he be duly accorded the honor and esteem of this House of Representatives and his fellow Kentuckians.

Section 2. That the Clerk be directed to transmit a copy of this resolution to Earle Combs and to the Baseball Hall of Fame, Cooperstown, New York.

On the roll call the vote was yeas 91—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HR 42 was adopted and the title agreed to.

Motions, Petitions and Communications

Representative E. G. Brown moved that **HB 217** be withdrawn from the Committee on Public Utilities and Transportation and referred to the Committee on Judiciary. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 3** and **HB 15** had been examined and found correctly enrolled. **HB 3** and

HB 15 read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 3 and **HB 15** delivered, signed by President. Ordered delivered to the Governor.

Orders of the Day

Representative King moved that consideration of **HB 139** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 88, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Kidd moved the adoption of the Committee Amendment to **HB 88.** Agreed.

On the roll call the vote was yeas 86—Alexander, Allen, Arnett, Baker, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, James A. Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 88 as amended was passed and the title agreed to.

Representative Kidd moved that the vote by which **HB 88** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Donnermeyer moved that the rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 408, by Representatives Donnermeyer, Murphy, Mershon, Isler, Louden, Ruh, Schmidt, Reed, Miller, Blume and Siemens: AN ACT relating to the licensing of bingo.

HB 409, by Representative Kenton: AN ACT relating to motor vehicles.

HR 44, by Representative Huff: A RESOLUTION commending United States Astronauts.

Committee Meetings

Judiciary: February 6, 1970, 10:00 a.m., Room 402.

Special Education Committee meeting: February 9, 1970, 1:30 p.m., Room 401.

Cities: February 9, 1970, on adjournment, Room 401.

Labor and Industry: February 6, 1970, 9:30 a.m., Room 404.

Business Organizations and Professions: February 6, 10:00 a.m., Room 401.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Labor and Industry: **HB 46, HB 163, HB 272, HB 275, SB 28.** (Room 404, February 6, 1970, 9:30 a.m.)

Judiciary: **SB 36, SB 109, HB 287, HB 289, HB 299, HB 331, HB 336.** (Room 402, February 6, 1970, 10:00 a.m.)

Representative McBrayer moved that when the House adjourns today it do so by voice vote. Agreed.

Recess

Representative McBrayer moved that the House recess for fifteen minutes. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative McBrayer moved that the Rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 410, by Representative Kenton: AN ACT relating to city civil service.

HB 411, by Representatives Kenton and Chapman: AN ACT relating to sorghum molasses.

HB 412, by Representative Kenton: AN ACT relating to the establishment of the Kentucky School of Veterinary Science and Medicine.

HB 413, by Representative Kenton: AN ACT relating to the establishment of a school of governmental affairs.

HB 414, by Representatives Kleier and Blythe: AN ACT relating to public transit authorities in cities and counties.

HJR 45, by Representatives Yocom, Wyatt, Siemens, Priddy, Hughes, Ray, Miller, Nett, Kleier, Kidd and Blume: A JOINT RESOLUTION creating the Jefferson County State Park Commission.

Representative McBrayer moved that the Rules be suspended to file Amendments No. 1 and No. 2 to **HB 333** and Amendment No. 1 to **HB 139**. Agreed.

Amendment No. 1 to **HB 333** was filed.

Amendment No. 2 to **HB 333** was filed.

Amendment No. 1 to **HB 139** was filed.

Representative J. O. Hardin moved that the House adjourn until 12:00 p.m., Friday, February 6, 1970. Agreed.

FRIDAY, FEBRUARY 6, 1970

TWENTY-SIXTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Herman M. Bowers, First Baptist Church, Frankfort.

The roll was called. All present except Representatives Dorris, Knuckles and McGill.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 5, 1970 be dispensed with and the same approved. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 21** and **SB 44** had been examined and found correctly enrolled. **SB 21** and **SB 44** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Introduction of Bills and Resolutions

HB 415, by Representative Blume: AN ACT relating to the state board of health.

HB 416, by Representatives Blume and Carroll: AN ACT providing for the payment by Department of Highways for the removal and relocation of facilities owned by a utility, or a Water District established pursuant to Chapter 74 of the Kentucky Revised Statutes.

HB 417, by Representatives Blume and Carroll: AN ACT relating to Airports.

HB 418, by Representative J. O. Hardin: AN ACT relating to the Judicial Council and Judicial Conference.

HB 419, by Representative Durham: AN ACT relating to retirement of certain county officials.

HB 420, by Representatives Carter and Graves: AN ACT relating to sales tax.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 411, HR 43, HR 45.**

Appropriations and Revenue: **HB 403, HB 409.**

Banking and Insurance: **SB 96.**

Business Organizations and Professions: **HB 408.**

Cities: **HB 402, HB 410, HB 414.**

Counties and Special Districts: **HB 406, HB 407.**

Education: **HB 412, HB 413.**

Health and Welfare: **HB 396, HB 399.**

Highways and Traffic Safety: **HB 397.**

Public Utilities and Transportation: **HB 404, HB 405.**

State Government: **HB 398, HB 400, HB 401.**

Rules: **HR 44.**

Report of Committees

The Committee on State Government reported **HB 204** with Committee Amendment attached thereto, **HB 23** with Committee Substitute attached thereto, and **HB 262** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 204, AN ACT relating to governmental purchasing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS 45.360 to 45.420 is created to read as follows:

(1) The Division of Purchases shall include in any contract for the purchase of materials or supplies a provision that, as approved by the Commissioner of Finance, any political subdivision, including cities of all classes, counties, school districts or special districts, may participate in the contract to the same extent as the Commonwealth. Any political subdivision may purchase materials and supplies pursuant to a contract for such supplies and materials entered into by the Division of Purchases for the Commonwealth. Where other provisions of the Kentucky Revised Statutes require that political subdivisions of the Commonwealth purchase by competitive bidding, such political subdivisions must comply with the applicable statute before participating in the contract, unless the state contract has been let by competitive bidding.

(2) The Director of Purchases shall inform the appropriate purchasing agent of each political subdivision, interested in participating under this Act, of contracts in effect between the Commonwealth and vendors setting forth the contract items and price per unit. Such information shall be conveyed by duplicate written copies of the contracts themselves.

(3) The Commissioner of Finance shall promulgate the rules and regulations necessary for the implementation of this Act and necessary to provide that the Commonwealth be reimbursed for any additional expenses incurred by the Commonwealth in allowing political subdivisions to participate in contracts with vendors.

(4) The Division of Purchases shall comply with all provisions relating to the methods of purchasing in the Kentucky Revised Statutes. This Act is not intended to repeal or otherwise affect any provision of the Kentucky Revised Statutes regarding purchasing methods of the Division of Purchases.

The Committee Amendment to **HB 204** is as follows:

Amend printed copy of House Bill 204 on page 1 & 2, by: inserting on page 1, line 11, after "monwealth" and before the word "Where" the phrase, "including those contracts negotiated by the Division of Purchases with vendors who maintain a

General Service Administration price agreement as provided in KRS 45.360(2).";

and by inserting on page 2, line 4, after the word "bidding" the phrase, "or the contract was negotiated as provided in KRS 45.360(2)."

HB 23, AN ACT relating to financial disclosure by legislators.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 6 of the Kentucky Revised Statutes is created to read as follows:

(1). As used in this section "legislator" means a member or member-elect of either house of the General Assembly of the Commonwealth of Kentucky.

(2) Each legislator shall file annually by November 30 with the clerk of the house of which he is a member or member-elect and with the director of the Legislative Research Commission a written report of each financial interest, direct or indirect, of a value in excess of $1,000, of himself, his spouse, his dependents and his business partners, in any activity which is subject to the jurisdiction of a regulatory agency of this state or any subdivision thereof. The written report shall further contain all sources of income for the legislator or his spouse, but the amount need not be disclosed. Legislators who are attorneys at law shall include in their report a list of all clients for whom they or their firm are on a regular retainer.

(3) Within fifteen days of the filing deadline a candidate for the office of Senator or Representative in the General Assembly shall comply with all the provisions of this Act. The Legislative Research Commission, through the Director, shall certify to the candidate that all required information has been filed.

(4) Any legislator or candidate who fails to file the report or willfully files fraudulent information shall be guilty of a misdemeanor and fined not more than $100 in Franklin Circuit Court. Imposition of this penalty shall not bar other disciplinary action by the General Assembly.

Committee Substitute HB 23, AN ACT relating to financial disclosure by legislators.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 61 of the Kentucky Revised Statutes is created to read as follows:

This Act applies to members of the General Assembly, officials elected statewide, judges of the Court of Appeals, circuit judges, Commonwealth's Attorneys and all candidates for all those offices, and department heads appointed under KRS 12.040. This Act also applies to a person appointed to a vacancy in an unexpired term of any office mentioned above.

Section 2. A new section of Chapter 61 of the Kentucky Revised Statutes is created to read as follows:

Each person subject to this Act, while holding office, shall file with the Kentucky Registry of Election Finance by March 15, of each year, the information required by this Act. Each person who is a candidate for any of the subject offices shall file with the office of the Registry of Election Finance within ten days after the filing deadline the information required by this Act. Nothing in this Act shall be construed to require the filing of more than one report for each subject individual each year.

Section 3. A new section of Chapter 61 of the Kentucky Revised Statutes is created to read as follows:

(1) Only activities subject to the jurisdiction of a state regulatory agency or activities with a legislative interest shall be covered by this Act.

(2) Under this Act, all sources of income where the amount received is less than $1000 for the twelve-month period immediately preceding the report, or equity interest valued at less than $1000 shall be exempt.

Section 4. A new section of Chapter 61 of the Kentucky Revised Statutes is created to read as follows:

Persons required to file information under this Act shall list with the Registry of Election Finance a simple description of the financial interests (not amounts), and memberships of the candi-

date or office holder making the disclosure; all financial interests shall be included in said list whether in the form of stocks, bonds, partnerships, real estate, equity, or creditor interests or otherwise. Exempted from disclosure are financial interests in the form of accounts in banks, savings and loan associations, credit unions, and equity interests either valued at less than $1,000 or representing less than 5 percent of the total equity in the entity; also exempt shall be income from stock dividends or bond interest. The report shall include a list of each entity wherein an office, directorship, membership or employment is held by any person subject to disclosure in any activity regardless of income received or equity interest held, excepting such activities in political, religious and charitable entities. For compensated services from activities subject to this Act, said list shall specify the nature of the activity of the person or entity from whom compensation was received from which the candidate or office holder has received payment totaling $1,000 or more in the twelve-month period immediately preceding the report.

Section 5. A new section of Chapter 61 of the Kentucky Revised Statutes is created to read as follows:

Reports required by this Act shall be filed with the Kentucky Registry of Election Finance and shall be public record, subject to inspection by any citizen of the Commonwealth. Within thirty days after reports are due, the Registry of Election Finance shall publish a list of those people who have filed reports. This list shall contain only the names and no other information.

Section 6. A new section of Chapter 61 of the Kentucky Revised Statutes is created to read as follows:

The Registry of Election Finance shall adopt such regulations, official forms and perform such duties as are necessary to implement the provisions of this Act.

Section 7. A new section of Chapter 61 of the Kentucky Revised Statutes is created to read as follows:

The office or candidacy of any person required by this Act to file a report who fails to file or willfully files fraudulent information shall be void, and the office or candidacy shall be filled as provided by law for the filling of the vacancy. An action

to declare a vacancy under this Act may be brought by the Registry or any registered voter.

HB 262, AN ACT relating to television and related services in aid of education and other public functions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 168.010 of the Kentucky Revised Statutes is amended to read as follows:

It is declared to be the legislative purpose of KRS 168.010 to 168.100, and the public policy of the Commonwealth, that there be established, developed and utilized in the public interest a network of educational television production *and related* facilities and transmission and relay stations such as will ultimately make available to students in public schools and state-supported institutions of higher education in the Commonwealth, and to any others who may choose to utilize the same, television programs *and related services* in aid of education, and for incidental use in other proper functions; and that the same be managed, controlled and operated in the public interest by an independent corporate agency and instrumentality of the Commonwealth having membership such as to be representative of the general public as well as public educational bodies at all levels.

Section 2. Section 168.030 of the Kentucky Revised Statutes is amended to read as follows:

An independent agency and instrumentality of the Commonwealth is hereby created and established to be known as "The Kentucky Authority for Educational Television", the same being a public body corporate and politic, with perpetual succession, the power in its own name to contract and be contracted with, sue and be sued, to adopt and use a corporate seal, to adopt bylaws for the orderly conduct of its affairs, and to alter the same from time to time, to prescribe and enforce regulations governing the use of educational television and television facilities *and related functions and facilities,* and generally to have and use all powers of private corporations as set forth in KRS Chapter 271, except as the same may be inconsistent with the provisions of KRS 168.010 to 168.100.

Section 3. Section 168.020 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 168.010 to 168.100, the following words and terms have the following meanings, unless in any instance, the context shall clearly indicate another meaning, in which event the context shall be controlling:

(1) "Authority" means the Kentucky Authority for Educational Television;

(2) "Board" means the State Board of Education;

(3) "Department" means the State Department of Education;

(4) "Public schools" means the state-supported school of the elementary and secondary levels, as defined in KRS 157.320;

(5) "Commission" means the State Property and Buildings Commission of Kentucky;

(6) "Council" means the Council on Public Higher Education in Kentucky;

(7) "University *of Kentucky*" means the University of Kentucky as one entity, including its present and future extensions;

(8) "State colleges and universities" means and includes Eastern Kentucky University, Kentucky State *College* [University], Morehead State University, Murray State University, and Western Kentucky University; but does not include any present or future state supported junior colleges, unless by statute the same are given representation on the Council;

(9) "Educational television" means and includes the production of television programs, the filming or tapeing thereof, the purchase or lease of films or taped programs produced by others, and the transmission or relaying of them for utilization (a) in aid of education in the public schools, and (b) for limited and incidental use in furtherance of other public functions;

(10) "Television facilities" means and includes sites, buildings, structures, machinery, equipment and installations, each with necessary or appropriate appurtenances, used or useful in the furtherance of educational television;[.]

(11) "Related functions" or "related services" means and

includes the use of facilities operated or leased by the Authority, or which may be added or connected to such facilities as permitted by applicable statutes, and to prepare, transmit, or enable the exchange of non-television programs, services or functions for and among the public schools, state-supported institutions of higher education, and other state agencies (a) in aid of education and (b) for use in other proper public functions; provided, however, that such related functions or related services may include, but are not limited to, the following examples: computer-assisted instruction, data for teaching or administrative purposes, and educational non-commercial radio;

(12) "related facilities" means and includes sites, buildings, structures, machinery, equipment and installations, each with necessary or appropriate appurtenances, used or useful in the furtherance of related functions or services.

Section 4. Section 168.040 of the Kentucky Revised Statutes is amended to read as follows:

The Authority shall consist of nine members as follows:

The Superintendent of Public Instruction, ex officio, who shall initially serve as temporary Chairman and shall call and preside over the organizational meeting or meetings until such time as the members of the Authority shall elect a Chairman from among their number; a member of the staff or personnel of the Department elected by the Board upon recommendation of the Superintendent of Public Instruction as being qualified to serve as liaison and coordinator between the Authority and the Department on matters of curriculum, and his terms shall be the same as that of the Superintendent of Public Instruction by whom he is recommended, but terminable by the Board in the event he is transferred to other duties in the Department, and automatically terminated in the event of his severance from the Department for any reason; a representative of the University of Kentucky and a representative of the state universities and colleges who are members of the Council, to be elected by the Council; two members qualified by education or working experience in the technical and engineering aspects of educational television and television facilities, to be appointed by the Governor; three additional members appointed by the Governor who need possess no special

or prescribed qualifications except that they shall be citizens of Kentucky.

Section 5. Section 168.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) The terms of the members other than the Superintendent of Public Instruction and the member appointed from the staff or personnel of the Department shall be originally, two members for a term of four years; two members for a term of three years; two members for a term of two years; and one member for a term of one year, to be determined by lot at the first meeting, thereafter the terms shall be for four years.

(2) In addition to vacancies from death or resignation, vacancies shall occur upon removal of permanent residence from the Commonwealth; in the case of the elected member representing the Department and the Board, by change of assignment or by severance from relationship with the Department or the Board for any reason; and, in the cases of the members representing the *University* [university] *of Kentucky* and the state universities and colleges, by termination of the member's membership on the Council for any reason. Vacancies during the term of any member shall be filled for the unexpired portion of the term only; and vacancies of elected or appointed members by reason of the expiration of the term shall be for terms of four years each, in the same manner as the initial election or appointment, as the case may be.

(3) Elected or appointed members shall be eligible for re-election or re-appointment for any number of terms, as long as the prescribed qualifications prevail.

Section 6. Section 168.100 of the Kentucky Revised Statutes is amended to read as follows:

The Authority shall have no power of taxation, nor is it vested with the police power of the Commonwealth, except insofar as the exercise of the power of eminent domain may be deemed a part thereof. Otherwise, in general terms, it shall have and is hereby given all such constitutional powers as are necessary to its accomplishment of the purpose and implementation of the public policy set forth in KRS 168.010. Without limiting the generality of the foregoing, but only for assurance to parties from

time to time transacting business with the Authority, and who may demand and be entitled to assurance, the following specific powers are hereby vested in the Authority:

(1) To receive and use in the furtherance of its lawful objectives such State funds as may be appropriated or allotted to it from time to time, any funds received for services rendered under contract or from the sale of property owned by it, and contributions, matching funds, gifts, bequests and devises from any source, whether state or federal, and whether public or private; unless the same be tendered subject to one or more conditions which are inconsistent with KRS 168.010 to 168.100, or otherwise unlawful;

(2) To make contracts and agreements whereunder the Authority may undertake to provide educational television facilities *and related functions and facilities* to or for any public body of the State or Federal Governments in furtherance of educational television or in aid of any other public function; provided, however, it shall be an express provision of every such contract that the Authority will not undertake to transmit or relay, and will not permit any other party to transmit or relay, in the use of the Authority's television facilities, any subversive matter, any political propaganda, or any image or message in the interests of any political party or candidate for public office; or be used by, or in aid of, any church, sectarian or denominational school; but this proviso is not intended and shall not be construed to be a limitation upon dissemination by the Authority of legitimate objective instructional material which is properly related to the study of history or of current events, or which is no more than factually informative, of current issues of government or of various political ideologies;

(3) To produce, prepare, transmit and relay, either from life or by recording on tape or films, educational television programs *and related services* not inconsistent with the curricula prescribed or approved for the public schools of the Commonwealth by the Department or the Board;

(4) To purchase or lease from others, or to contract with others for the use of, or the right to transmit or relay similar educational television programs *and related services,* whenever in the opinion of the Authority the same are suitable and cannot be

produced as effectively or economically through the use of its own facilities;

(5) To purchase, lease, or otherwise acquire, and to operate, television *and related* facilities deemed by the Authority to be necessary in the furtherance of its lawful objectives; and in this connection to acquire property by the exercise of the power of eminent domain, in the manner authorized for the Highway Department by KRS 177.081 to 177.089, whenever the same cannot be purchased, leased, or otherwise acquired at a reasonable price after reasonable negotiations with the owner or owners. In all such matters, the Authority shall be subject to the provisions of KRS Chapters *45 and* 56 [with regard to approvals and authorizations by the Department of Finance and the Commission];

(6) To prescribe standards for receiving instruments which are purchased in the future for use in the public schools, in order that reception of educational television programs *and related services* may be acceptable and in conformity with the manner of transmission thereof; and to disseminate such standards together with technical information with regard to installations and use of receiving instruments to all of the public school districts, or to such as may request the same;

(7) In its discretion and within the limitation of availability of funds from any sources, to (a) establish a program of matching funds as an inducement to public school districts to purchase and install proper facilities for receiving and utilizing educational television programs *and related services*, especially in situations where by reason of topographical difficulties of reception, special antennas or other equipment may be required, and/or (b) if so requested by the boards of education of a sufficient number of public school districts, to purchase *through the Department of Finance, subject to the provisions of KRS Chapter 45*, receiving instruments on their behalf on a wholesale basis for the purposes of economy, any such purchases to be on a public competitive basis after due advertisement according to law, but restricted to such receiving instruments as meet the standards prescribed by the Authority.

Section 7. KRS 156.070 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) The State Board of Education shall have the manage-

ment and control of the common schools, public vocational education and vocational rehabilitation, West Kentucky Vocational School, and the Kentucky School for the Blind.

(2) (a) It is hereby authorized to lease from the State Property and Buildings Commission, or others, whether public or private, any lands, buildings, structures, installations and facilities suitable for use in establishing and furthering television *and related facilities* as an aid or supplement to classroom instruction, throughout the Commonwealth, and for incidental use in any other proper public functions. Any such lease may be for any initial term commencing with the date of such lease and ending with the next ensuing June 30 which is the close of the then current fiscal biennium of the Commonwealth with exclusive options in favor of the Board to renew the same for successive ensuing bienniums (July 1 in each even year to June 30 in the next ensuing even year); and the rentals may be fixed at such sums in each biennium, if renewed, as will be sufficient to enable the State Property and Buildings Commission to pay therefrom the maturing principal of and interest on (and provide reserves for) any revenue bonds which said State Property and Buildings Commission may determine to be necessary and sufficient, in agreement with the Board, to provide the cost of acquiring such television *and related* facilities, with appurtenances and such costs as may be incident to the issuance of such bonds.

(b) Each such option of the State Board of Education to renew the lease for succeeding biennial term may be exercised at any time after the adjournment of the session of the General Assembly at which appropriations shall have been made for the operation of the state government for such succeeding biennial term, by notifying the State Property and Buildings Commission in writing, signed by the Superintendent of Public Instruction, and delivered to the Commissioner of Finance as a member of said Commission; provided, however, that such option shall be deemed automatically exercised, and the lease automatically renewed for the succeeding biennium, effective on the first day thereof, unless a written notice of the Board's election not to renew shall have been delivered in the office of the Commissioner of Finance before the close of business on the last working day in April immediately preceding the beginning of such succeeding biennium.

(c) The Board shall not itself operate such leased television facilities, or undertake the preparation of the educational presentations or films to be transmitted thereby, but may enter into one or more contracts to provide therefor, with any public agency and instrumentality of the Commonwealth having, or able to provide, a staff with proper technical qualifications, upon which agency and instrumentality the Board, through the Superintendent of Public Instruction and the Department of Education, is represented in such manner as to coordinate matters of curriculum with the curricula prescribed for the public schools of the Commonwealth. Any such contract for the operation of the leased television *or related* facilities may permit limited and special uses of the television *or related* facilities for other programs in the public interest, subject to such reasonable terms and conditions as the Board and the operating agency and instrumentality may agree upon; but any such contract shall affirmatively forbid the use of the television *or related* facilities, at any time or in any manner, in the dissemination of political propaganda or in furtherance of the interest of any political party or candidate for public office, or for commercial advertising. No lease between the Board and the State Property and Buildings Commission shall bind the Board to pay rentals for more than one fiscal biennium at a time, subject to the aforesaid renewal options. The Board may receive and may apply to rental payments under any such lease and to the cost of providing for the operation of such television *or related* facilities not only appropriations which may be made to it from State funds, from time to time, but also contributions, gifts, matching funds, devises and bequests from any source, whether federal or state, and whether public or private, so long as the same are not conditioned upon any improper use of the television *or related* facilities in a manner inconsistent with the provisions of this subsection.

(3) The State Board of Education may, on the recommendation and with the advise of the Superintendent of Public Instruction, prescribe, print, publish and distribute at public expense such rules, regulations, courses of study, curriculums, bulletins, programs, outlines, reports and placards as it deems necessary for the efficient management, control and operation of the schools under its jurisdiction. All rules and regulations published or distributed by the board shall be enclosed in a

booklet or binder on which the words "Informational Copy" shall be clearly stamped or printed.

(4) In its capacity as a board of control for the West Kentucky School, the board may receive by any legal mode of conveyance, and hold and enjoy, property of any description.

Section 8. Section 56.440 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Commission" means the State Property and Buildings Commission.

(2) "Real estate" includes lands together with improvements thereon and appurtenances thereto.

(3) "Building" includes any structure or improvement upon real estate of a permanent nature; and additionally includes any sites, structures, equipment, machinery or devices for the purpose of establishing, developing or furthering television *or related services* in aid of education or in aid of any other proper public functions, whether or not the same would otherwise be legally defined as buildings.

(4) "Building project" includes the construction, reconstruction and structural maintenance of buildings, the installation of utility services, including roads and sewers, and the purchase and installation of equipment, facilities and furnishings of a permanent nature for buildings, and the purchase and installation initially of movable equipment, furnishings and appurtenances necessary to make a building operable, and for television *or related* purposes as referred to in subsection (3) of this section.

(5) "State agency" means any state administrative body, agency, department or division as defined in KRS Chapter 12, or any board, commission, institution, division, university, or college exercising any function of the state.

(6) "Department" means the Department of Finance.

Section 9. Section 56.550 of the Kentucky Revised Statutes is amended to read as follows:

(1) Nothing in KRS 56.440 to 56.540 shall be construed to

apply to the construction of roads or bridges or the acquisition of rights of way or real estate in connection therewith now under the jurisdiction of the Department of Highways or The Turnpike Authority of Kentucky, or for any other expenditure made from the State Road Fund, or by said Turnpike Authority.

(2) Except as provided by KRS 56.467, 162.520 to 162.620, nothing in KRS 56.440 to 56.540 shall be construed to apply to school districts, or to affect the rights, powers and duties of the governing authorities of such districts; provided, however, that the acquisition of sites, and the acquisition, purchase, construction, leasing and operation of television *or related* facilities as an aid to education or as an aid to any other proper public function, shall be deemed to be matters of statewide jurisdiction and interest, and any or all of such activities on the part of the commission shall not be deemed to constitute encroachment upon the authority of any school district.

The Committee on State Government reported **HB 201,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

Committee Substitute HB 201, AN ACT relating to the slow-moving vehicle emblem.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 189 of the Kentucky Revised Statutes is created to read as follows:

(1) "Slow-moving vehicle" includes farm machinery, including animal-drawn vehicles, highway construction and maintenance vehicles, and any other type of vehicle capable of a rate of speed no greater than twenty-five miles per hour.

(2) "Slow-moving vehicle emblem" consists of a fluorescent yellow-orange triangle with a dark red reflective border, as specified in American Society of Agricultural Engineers R276 or Society of Automotive Engineers J943 standards, or consisting of reasonably similar reflective qualities as specified in said standards.

Section 2. A new section of Chapter 189 of the Kentucky Revised Statutes is created to read as follows:

(1) All slow-moving vehicles sold, leased, or rented in, or for use within, the Commonwealth of Kentucky after January 1, 1971, shall have affixed to them as standard equipment a slow-moving vehicle emblem.

(2) The slow-moving vehicle emblem shall be displayed as herein provided on all slow-moving vehicles operated day or night upon the public roads within the Commonwealth of Kentucky, no later than January 1, 1973.

(3) The slow-moving vehicle emblem shall be mounted as near the center of the rear of the slow-moving vehicle as is practicable, and the lower edge of the emblem shall be mounted at least three feet or more above the road surface, and shall be maintained in a clean, reflective condition.

Section 3. A new section of Chapter 189 of the Kentucky Revised Statutes is created to read as follows:

(1) The slow-moving vehicle emblem shall be restricted to the uses specified herein and the use on any other type of vehicle or on other objects is prohibited.

(2) The said emblem shall not be required on trailers or other drawn vehicles which do not obstruct the slow-moving vehicle emblem required on the towing vehicle.

(3) Highway construction or maintenance vehicles and public utility vehicles shall not require said emblems when being guarded by flagmen or flares.

(4) The use of such slow-moving vehicle emblems shall be in addition to any other reflective or lighting devices required by law.

Section 4. A new section of Chapter 189 of the Kentucky Revised Statutes is created to read as follows:

Any person found violating any provision of this Act is guilty of a misdemeanor and shall be fined not less than $10.00 nor more than $25.00.

The Committee on Judiciary reported **HB 29** with Com-

mittee Amendments attached thereto, **HB 299, HB 187, HB 152, SB 109,** and **SB 36** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 29, AN ACT relating to regulation of bail bondsmen.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

(1) "Bail Bondsman" shall mean any person, partnership or corporation engaged for profit in the business of furnishing bail, making bonds or entering into undertakings, as surety, for the appearance of persons charged with any criminal offense or violation of law or ordinance punishable by fine, imprisonment and/or death, before any of the courts of this state, including city courts, and/or securing the payment of fines imposed and of costs assessed by such courts upon final disposition thereof, and the business of a bail bondsman shall be limited to the acts, transactions and undertakings, enumerated above and to no other. The masculine gender, whenever used herein, shall apply to all persons, firms, partnerships and corporations affected by this chapter; and the term "bail bondsman" or "bondsman" whenever used herein.

(2) "Commissioner" shall mean the Commissioner of the Department of Insurance.

(3) "Insurer" shall mean any domestic, foreign or alien surety company which has qualified to transact surety business in this state.

Section 2. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

(1) The commissioner shall have full power and authority to administer the provisions of this Act, which regulate bail bondsmen and to that end, to adopt and promulgate rules and regulations, and enforce rules and regulations necessary and proper to effectuate and enforce the purposes and provisions of said Act.

(2) The commissioner shall propound any reasonable interrogatories or examination relating to bail bonding to an applicant for a license under this Act and may do so on any renewal thereof, relating to his qualifications, prospective place of business, and any other matters which, in the opinion of the commissioner, are deemed necessary or expedient in order to protect the public and ascertain the qualifications of the applicant. The commissioner may also conduct any reasonable inquiry or investigation he sees fit, relative to the determination of the applicant's fitness to be licensed or to continue to be licensed. All licenses issued pursuant to this Act shall be for a period of one year, subject to annual renewal.

(3) All applications for a license under this Act shall be made to the commissioner on forms furnished by him and shall be accompanied by a license fee of ten dollars.

Section 3. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

(1) No person shall act in the capacity of a bail bondsman, or perform any of the functions, duties or powers prescribed for bail bondsmen under the provisions of this Act unless that person shall have reached the age of 18 years and be licensed as provided in this Act.

(2) Any bail bondsman which is a corporation not licensed pursuant to Chapter 304 of the Kentucky Revised Statutes shall be licensed as a corporate bail bondsman pursuant to this Act before it shall be authorized to execute bail bonds, and each agent acting on behalf of said corporate bail bondsman shall also be individually licensed.

(3) Any bail bondsman which is a partnership shall not be required to hold a license, but each of the individual partners shall be individually licensed and shall be subject to all requirements imposed herein.

(4) Any agent or representative of such bail bondsman, whether acting with or without compensation or salary, shall also be qualified and licensed as provided in this Act.

Section 4. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

(1) All bail bondsmen in executing bail bonds before any of the courts of this state shall post with the court such security as the court may require pursuant to the Kentucky Rules of Criminal Procedure.

(2) Before any corporation shall be authorized to execute bail bonds, said corporation shall deposit with the Custodian of Insurance Securities, securities of the nature required by the commissioner from insurers, in the amount of fifty thousand dollars ($50,000.00), which shall be held subject to the laws applying to securities of insurers held by the Custodian. Said deposit shall be held as security for any liability incurred by the corporation by reason of any judgment upon the breach or forfeiture of any bond or obligation referred to herein.

Section 5. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

(1) Every licensed bail bondsman shall, not later than March 1 of each year, file with the commissioner a report of his assets and liabilities as of the preceding December 31, along with a schedule of premium rates, listing minimum and maximum rates and all expenses included in writing bail bonds used during the previous year and to be used during the coming year and any other pertinent information required by the commissioner.

(2) Every licensed corporate bail bondsman shall, prior to receiving a license, submit to the commissioner a sample power of attorney which will be the only form of power of attorney the corporation will issue to agents in this state.

(3) Every bail bondsman who authorizes a licensed bondsman directly employed by him to sign his name to bonds shall file a copy of the power of attorney given to such licensed bondsman with the clerk of the circuit court in the county in which he resides and with the Commissioner of Insurance. Such power of attorney shall remain in full force and effect until written notice revoking the power of attorney has been received by the above named officials.

(4) Every bail bondsman, upon the termination of the appointment of any agent shall give written notice thereof to any clerk of the circuit court with which he is registered and to the commissioner at the same time the notice is given or mailed to said agent.

Section 6. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

(1) Every bail bondsman acting as surety for the release of any person on bail, shall file with the bail bond, by the next business day, an affidavit stating whether or not he or anyone for his use has been promised or has received any security or consideration for his undertaking; and if so, the nature and amount thereof, and the name of the person by whom such promise was made or from whom such security or consideration was received. Any willful misstatement in such affidavit or any intentional omission to set forth in the affidavit all the security or consideration promised or given shall render the person making it subject to the same prosecution and penalty as one who commits perjury. An action to enforce any indemnity agreement shall not lie in favor of the surety against such indemnitor, except with respect to agreements set forth in such affidavit. In an action by the indemnitor against the surety to recover any collateral or security given by the indemnitor, such surety shall have the right to retain only such security or collateral as is mentioned in the affidavit required above, and only in such amount as required to indemnify the surety for reasonable, actual, and necessary expenses incurred by him by reason of the principal's default.

(2) Every bail bondsman engaged in the bail bond business who accepts collateral security for a bail bond shall, for each bail bond written, make and attach to such bail bond an affidavit on the form prescribed by the commissioner.

Section 7. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

Each bail bondsman engaged in the bail bond business, as a minimum requirement for permanent office records, shall maintain:

(1) A daily bond register which shall be the book of original and permanent record of all bonds or undertakings executed by the licensee which shall state the number of power of attorney form, if applicable, date bond was executed, name of principal, amount of bond, premium charged, premium reported to surety company, security or collateral received, indemnity agreements, disposition of bond, and date of disposition.

(2) An individual file or envelope for each principal for whom bond is made which shall contain the original application for bail bond or undertaking, security or collateral affidavit where security or collateral is located, information as to any security or consideration received by the agency or licensee in connection with each particular bail bond or undertaking and purpose for which it was received, receipt or release executed by the person or persons posting security or collateral evidencing the return of such security or collateral and indemnity agreement as executed by co-indemnitors.

(3) Every bail bondsman engaged in the bail bond business, who accepts money or any other consideration for any bail bond undertaking which he executes, must for each and every payment received give to the person or persons paying the money or giving the consideration a receipt as evidence of payment, which receipt shall state the date, name of the principal, amount of money or consideration received and purpose for which received, number of power of attorney form attached to the bond, if applicable, penal sum of the bond, and name of person making payment or giving consideration. Every such bail bondsman must retain a duplicate copy of each receipt issued as part of his records.

(4) The commissioner may request of any licensee any information concerning his activities or those of his licensee which the commissioner deems necessary.

Section 8. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

(1) No bail bondsman shall:

(a) Pay a fee or rebate or give or promise anything of value to a jailer, policeman, police officer, committing magistrate, or any other person who has power to arrest or hold in custody, or to any public official or public employe in order to secure a settlement, compromise, remission or reduction of the amount of any bail bond, or to secure delay or other advantage, except this shall not prohibit public reward paid for the return of a fugitive;

(b) Pay a fee or rebate or give anything of value to an attorney in bail bond matters, except in defense of an action on a bond;

(c) Pay a fee or rebate or give or promise anything of value to the principal or anyone in his behalf;

(d) Participate in the capacity of an attorney at a trial or hearing of one on whose bond he is surety; or

(e) Accept anything of value from the principal except the premium, provided that the bondsman shall be permitted to accept collateral security which shall be returned upon payment of the premium on the bond or their indemnity which shall be returned upon either final termination of liability on the bond or the posting of other accepted collateral. Such collateral security or other indemnity required by the bondsman must be reasonable in relation to the amount of the bond.

(2) Law enforcement, adjudication and prosecution officials, and their employes, attorneys-at-law, officials authorized to admit to bail and state, county and city officers, shall not be bail bondsmen and shall not directly or indirectly receive any benefits from the execution of any bail bond.

(3) A bail bondsman shall not sign or countersign in blank any bond. No bondsman shall give a power of attorney to, or otherwise authorize, anyone to countersign his name to bonds, unless the person so authorized is also a licensed bondsman directly employed by the bondsman giving such power of attorney.

Section 9. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

(1) The commissioner may deny, suspend, revoke or refuse to renew any license issued under this Act for any of the following causes or for any violation of the laws of this state relating to bail:

(a) For any cause for which issuance of the license could have been refused had it then existed and been known to the commissioner;

(b) Violation of any law relating to the business of bail bonds in the course of dealings under the license issued him by the commissioner;

(c) Material misstatement, misrepresentation or fraud in obtaining the license, or failure to pass any reasonable examination by the commissioner relating to bail bonding;

(d) Misappropriation, conversion or unlawful withholding of moneys belonging to insurers or others and received in the conduct of business under the license;

(e) Conviction of a felony involving moral turpitude;

(f) Fraudulent or dishonest practices in the conduct of business under the license;

(g) Willful failure to comply with, or willful violation of any proper order, rule or regulation of the commissioner;

(h) Failure or refusal, upon demand, to pay over to any principal he represents or has represented, any money coming into his hands belonging to the principal;

(i) Willful failure to return collateral security to the principal when the principal is entitled thereto; or

(j) Any licensed bail bondsman engaged in the bail bond business who knowingly has in his employ a person whose license has been revoked, suspended or denied in this state.

(2) No license under this Act shall be issued, renewed or permitted to exist when the same is used directly or indirectly to circumvent the provisions of this Act.

Section 10. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

(1) If any bail bondsman is convicted by a court of a violation of any of the provisions of this Act, the license of such individual shall therefore be deemed to be immediately revoked, without any further procedure relative thereto by the commissioner.

(2) As to licenses issued under this Act and thereafter suspended or revoked, or renewal thereof refused by the commissioner, the procedures hereinafter set forth in this section shall apply:

(a) If after investigation or upon other evidence the commissioner has reason to believe that there may exist any one or more causes for suspension, revocation or refusal to renew or continue the license of any bail bondsman as such causes are specified in subsection (1) of Section 9 of this Act or that a bail bondsman has been guilty of violating any of the laws of this state relating to bail bonds, the commissioner shall mail

written notice by registered mail of his intention to suspend, revoke, or refuse to renew the license as the case may be, accompanied by a copy of the charges against the licensee to the licensee, and, if applicable, to the insurer or corporation represented by the licensee agent, or the bail bondsman represented by the licensee if an employe of another licensed bail bondsman.

(b) If within twenty days after the date of mailing the notice and charges as provided for in paragraph (a) of this subsection, the licensee has not filed with the commissioner a written answer to such charges coupled with a written request for a hearing thereon, the commissioner may proceed to suspend, revoke or refuse to renew the license.

(c) If within such twenty days an answer and request for hearing is so filed with the commissioner, the commissioner shall hold a hearing with respect to the charges, the hearings to be held within sixty days of the date of the mailing of the notice and charges referred to in paragraph (a) of this subsection, unless postponed by the mutual consent of the parties. The commissioner shall give the licensee written notice of the hearing and of the matters to be considered thereat not less than ten days in advance of the hearing date.

(d) Following the hearing the commissioner shall make his order thereon and mail a copy thereof by registered mail to the address last of record in his office of each party to the hearing. If by his findings made upon the hearing the commissioner finds that one or more of the causes thereof exist as specified in subsection (1) of Section 9 of this Act his order shall incorporate the taking of action relative to suspension, revocation or refusal to renew the license as authorized.

(3) Appeals from final orders of the commissioner under this Act shall be made to the Franklin Circuit Court pursuant to the Kentucky Rules of Civil Procedure.

Section 11. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

(1) The commissioner shall, in his order suspending a license, specify the period during which the suspension is to be in effect, but such period shall not exceed one year. The license shall remain suspended during the period so specified, subject,

however to any rescission or modification of the order by the commissioner, or modification or reversal thereof by the court, prior to expiration of the suspension period. A license which has been suspended shall not be reinstated except upon request for such reinstatement, but the commissioner shall not grant such reinstatement if he finds that the circumstances for which the previous license was revoked still exist or are likely to recur.

(2) No individual licensed under any license which has been revoked by the commissioner, shall have the right to apply for another license under this Act within two years from the effective date of such revocation, or, if judicial review of such revocation is sought, within two years from the date of final court order or decree affirming the revocation. The commissioner shall not, however, grant a new license to any individual if he finds that the circumstances for which the previous license was revoked still exist or are likely to recur.

(3) If licenses as bail bondsman as to the same individual have been revoked at two separate times, the commissioner shall not thereafter grant or issue any license under this Act as to such individual.

(4) During the period of suspension, or after revocation of the license, the former licensee shall not engage in or attempt to profess to engage in any transaction or business for which a license is required under this Act, except the former licensee may collect premiums on business written prior to the date of the suspension or revocation.

Section 12. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

Upon suspension, revocation or refusal to renew any license of a bail bondsman the commissioner shall at the same time likewise suspend or revoke all other licenses held by the licensee under the insurance laws of this state.

Section 13. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

(1) If, upon procedures provided for in subsection (2) of Section 10 of this Act, the commissioner finds that one or more causes exist for the suspension, revocation or refusal to renew

any license issued under this Act, the commissioner may, in his discretion, in lieu of each suspension, revocation or refusal to renew, and except on a second offense, impose upon the licensee an administrative penalty in the amount of $500.00, or if the commissioner has found willful misconduct or willful violation on the part of the licensee, $1,000.00. The administrative penalty may, in the commissioner's discretion, be augmented in amount by an amount equal to any commissions received by or accruing to the credit of the licensee in connection with any transaction as to which the grounds for suspension, revocation, or refusal related.

(2) The commissioner may allow the licensee a reasonable period, not to exceed thirty days, within which to pay the amount of the penalty so imposed. If the licensee fails to pay the penalty in its entirety within the period so allowed, the licenses of the licensee shall stand suspended, revoked or renewal refused, as the case may be, upon expiration of such period and without any further proceedings.

Section 14. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read:

Any person or corporation, who is found guilty of violating any of the provisions of this Act shall, upon conviction, be fined not more than $500.00 for each offense, or imprisoned in the county jail for not more than six months, or both, and in addition, any person violating subsection (2) of Section 8 of this Act shall forfeit any office held by him at the time of conviction, or if a constitutional officer, such a conviction shall be grounds for removal from office.

The Committee Amendment No. 1 to **HB 29** is as follows:

Amend printed copy of House Bill 29 on page 3, lines 26 & 27 by: inserting therein the following:

"(5) A voluntary association issuing guaranteed arrest bond certificates to its members to be used to guarantee the appearance of such member in any court of this Commonwealth for violations of any law of the Commonwealth or ordinance of any municipality relating to the operation of a motor vehicle shall not be deemed a bail bondsman for the purposes of this Act."

The Committee Amendment No. 2 to **HB 29** is as follows:

Amend printed copy of House Bill 29 on page 4, line 2, by: deleting the words "post with the court" and insert "prove"

The Committee Amendment No. 3 to **HB 29** is as follows:

Amend printed copy of House Bill 29 on page 8, line 19, by: striking "and state, county and city officers" and inserting in lieu thereof "state officers, and county and city executive officers,"

HB 299, AN ACT granting the power of eminent domain to certain water associations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

Any water association supplying water to no less than one hundred customers, which has been formed under the provisions of KRS Chapter 273, may exercise the power of eminent domain in accordance with the provisions of KRS 416.010 to 416.080.

HB 187, AN ACT relating to eminent domain.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 99.420 of the Kentucky Revised Statutes is amended to read as follows:

Whenever in the opinion of the agency, land or other property, right-of-way or easement over or through any property is needed by the agency in order to accomplish the purposes of KRS 99.330 to 99.510, it may by resolution authorize the purchase or condemnation in the name of the agency, of the land or other property, or right-of-way or easement necessary for the purpose, and may proceed to condemn and acquire the property in the following manner:

(1) The proceedings for condemnation shall be in the circuit court in the county in which the property sought to be condemned, or the greater part thereof, lies. The proceeding shall be in the name of the agency. Proceedings shall be commenced

by filing a complaint against all persons having an interest in the property, describing the property, right-of-way (if any) or easement (if any) sought to be condemned, and the complaint shall include a request for the court, or a judge thereof if the court is in vacation, to appoint commissioners to assess the value which the owners thereof are entitled to receive. The owners of two or more different properties sought to be condemned for the same purpose may be joined and proceeded against in a single action, but the lands and properties of each shall be separately described.

(2) Upon the filing of the complaint, the circuit court, or a judge thereof, shall, in writing, forthwith appoint three disinterested, impartial citizens and residents of the county, who shall be sworn by the court, a judge thereof, or by any person authorized to administer oaths, to faithfully, fairly and impartially discharge their duties. The order appointing the commissioners shall be filed in the office of the clerk of the circuit court immediately upon its signing, and shall become part of the proceedings as of the date filed. In the event any person so appointed fails, refuses or become incapable of acting, the court, or judge thereof, shall forthwith appoint a qualified person to fill the vacancy. A majority of the commissioners appointed and qualified have the power to act and to make and sign the award and report.

(3) The commissioners shall immediately upon their appointment take the oath of office, and shall enter in and upon the property, right-of-way (if any) or easement (if any) sought to be condemned, and shall view same. They may hear evidence or make any inquiry they desire touching the value thereof. They shall award to the owner of each parcel of land and property the *fair market* value thereof. Property owned by the same owner, which is contiguous and adjacent may be considered as one parcel and may be included by the commissioners under a single award. If less than an entire parcel of contiguous property belonging to the same owner is sought to be condemned, the commissioners shall also award to the owner the *difference between the fair market value of the entire parcel of property before and after the taking.* [incidental damages, if any, resulting to his or their remaining adjacent or contiguous land, considering the purpose for which it is taken, but they shall deduct from the incidental damages, if any, the value of any advantages and benefits

that will accrue to the remaining adjacent and contiguous land from the proper use of the property, right-of-way (if any) or easement (if any) for the purposes or uses intended.] The award of the commissioners shall [promptly] be filed by them, in writing, in the office of the circuit clerk, *within fifteen days after the day the order appointing the commissioners is filed in the office of the clerk of the circuit court,* and shall be styled "Report and Award of Commissioners."

(4) Immediately upon the filing of the *complaint* [report and award of the commissioners], the clerk of the circuit court shall cause summons and process to issue against the defendants. The summons shall [have attached to it a copy of the report and award of the commissioners and shall] be issued in the same form and in the same manner as provided for upon the filing of a complaint under the Rules of Civil Procedure, except that the summons shall also contain the notification that *the defendant shall serve his answer or other pleading within twenty days after the filing of the report and award of the commissioners and notification that* exceptions to the report and award of the commissioners must be filed within the same period of time [as required for appearance and defense of the complaint]. The action and proceedings shall be carried on as nearly as may be as ordinary civil actions at law are conducted. Nonresidents and persons under disability shall be proceeded against as provided by the Rules of Civil Procedure. Defenses and exceptions for nonresidents and persons under disability may be made and filed by any person authorized to make defense for such persons under the Rules of Civil Procedure.

(5) Any answer or other pleading filed by any defendant in response to the summons shall be confined solely to the question of the right of the agency to condemn the property sought to be condemned, but without prejudice to the right of the defendant, then and thereafter, within proper time, to file exceptions to the amount of compensation awarded in the report and award of the commissioners. Any issue raised in the answer or other pleading filed, putting in issue the right of the agency to condemn the property shall be promptly heard and decided by the court, without a jury. If the court finds the agency has no right to take the property in condemnation for the purpose or

uses sought, it shall dismiss the complaint at the costs of the agency.

(6) If answer or other pleading is timely filed putting in issue the right of the agency to condemn the property, the time for filing exceptions to the report and award of commissioners shall automatically be extended to a time not later than ten days after the decision by the court of the issue, and if the court decides that the agency does have the right to take the property in condemnation for the purposes or uses sought, the defendants shall file exceptions, should they desire so to do, to the report and award of commissioners within ten days, if same has not theretofore been filed. If the defendants do not file an answer or pleading putting in issue the right of the agency to condemn the property, or having filed same is not sustained by the court, and, in either event, if the agency and the defendants do not file exceptions to the report and award of commissioners within the time provided, then the amount of the award set forth in the report and award of commissioners shall become final and not subject to exception or review and shall become and be entered as the judgment of the court setting and fixing the value of the land to be taken, and incidental damages to the remainder, if any. The agency has twenty days from the filing of the report and award of the commissioners to file its exceptions, should it desire so to do, unless answer or other pleading is filed by defendants, in which event the agency has ten days after the decision by the court on the issue raised by the answer or pleading to file its exceptions. If exceptions are based on the ground that the award of the commissioners is too small or too great, the exceptions must be accompanied by an affidavit of the party excepting, his agent or attorney, stating the amount of the award and damages, if any, the party believes is just and reasonable. For the purpose of appeal, the difference between the amount awarded by the commissioners and the amount the excepting party claims would be just and reasonable shall be the amount in controversy.

(7) If timely exceptions to the report and award of commissioners are filed by any of the parties, the matter of the value of the property sought to be condemned shall forthwith be submitted to a jury to determine and assess value and damages, if any, and the case shall be advanced and have preference over other common law cases on the docket. In assessing value and

damages, if any, the report and award of the commissioners shall not be permitted to be introduced or become substantive evidence in the case for the consideration of the jury, but nothing shall prevent the commissioners from testifying, subject to the same rules as apply to other witnesses, in which event either party may question the commissioners concerning their report and award. Upon request of any of the parties, the court may, in its discretion, send the jury to view the premises, except that if the property is taken under interlocutory judgment, as hereinafter provided, the jury's right to view shall be limited and restricted to the land only, if the buildings and appurtenances thereon and thereto have been removed or substantially altered and changed, and the court shall so instruct the jury. Jurors shall have the same qualifications as jurors in civil cases. They may or may not be residents of the city or governmental division in which the land, or the greater portion thereof, lies, but shall be residents of the county wherein same, or the greater portion thereof, lies. A unanimous verdict of all jurors is required, but only the foreman of the jury need sign the verdict.

(8) Upon final determination of all issues raised either by answer or other pleading, or by exceptions to the report and award of commissioners, or if no answer, pleadings or exceptions be filed by any of the parties, the court shall forthwith enter a judgment, which shall be a final judgment, and shall make such orders as are necessary and proper for the conveyance of the land, property and rights, if any, to the agency, upon the payment into court through the clerk of the circuit court by the agency of the amount set forth in the judgment of the court, vesting in the agency absolute fee simple title to the land, property and rights, if any, as described in the complaint, or any supplement or amendment thereof. In the event the owners fail, refuse or are unable to convey to the agency full and complete fee simple title to the land, property and rights, free, clear and unencumbered, the court shall thereupon cause the commissioner of its court, or a special commissioner appointed by the court for that purpose, to execute and deliver to the agency a deed of conveyance therefor, which deed of conveyance shall be executed as nearly as practicable in accordance with the rules governing the conveyance of property by commissioners when sold under order of court, including all the right, title and interest which

the defendants and each of them had, or may have had therein. If, however, the agency has not taken same under interlocutory judgment, it may abandon its rights to take the land, property and rights, if any, and same shall be deemed abandoned by it in the event it does not pay into court within sixty days from the date of the entering of the final judgment, the amount set forth therein as the amount to be paid by the agency for the taking thereof. The bond provided for by Rule 4.11 of the Rules of Civil Procedure shall not apply and be required of the agency in any action for condemnation brought hereunder.

(9) Notwithstanding any other provision of this section, the agency may, prior to the entering of a final judgment, and at any time after the report and award of commissioners is filed in the circuit court, and notwithstanding exceptions have been or may be filed, file a demand for an interlocutory judgment. Copy of the demand shall be served upon defendants or their attorney or the person authorized to make defense for any nonresident or person under disability, at least ten days prior to presentation to the court, or a judge thereof, in the manner provided by Rule 5 of the Rules of Civil Procedure. The court, or judge thereof, shall thereupon enter an interlocutory judgment granting and awarding to the agency immediate possession and full and complete use and control of the land and property sought to be condemned, and the agency shall thereupon be entitled to take possession thereof and to use and control same, including the right to remove, demolish, raze and do away with all buildings, structures and appurtenances thereon or thereto belonging, without let, hindrance, interruption or interference by the defendants, or anyone claiming under them, as fully as if title had been conveyed to it, and the court, or judge thereof, shall enforce same by appropriate order and proceedings; provided, however, that before any interlocutory judgment is entered, the agency shall pay into the court, by depositing with the clerk of the circuit court, the amount contained and set forth in the report and award of commissioners, and shall at the same time file with the clerk a bond, with surety approved by the court, a judge thereof, or the clerk of the circuit court, conditioned upon the agency paying to the defendants the difference between the sum paid into court, and that which may thereafter be finally determined to be the value of the property rights, if any, or

incidental damages, if any, unless the agency shall have sufficient sums duly appropriated, properly allocated to that purpose and on deposit to pay for any money judgments, including costs adjudged against the agency, that may thereafter be rendered against it, and if such facts are alleged in its complaint or in any supplement or amendment thereto, a bond shall not be required of it. If an interlocutory judgment is entered, and no answer, pleading or exceptions have been or are thereafter filed within time by any of the parties, final judgment shall be entered as provided for in subsection (8). If answer, pleading or exceptions are filed, the case shall proceed as provided for in cases where no interlocutory judgment has been demanded and entered, and wherein answer, pleading or exceptions are filed, and the interlocutory judgment shall remain in full force and effect. If the final judgment is greater than the amount paid into court by the agency under the report and award of the commissioners, the agency shall thereupon pay into court by depositing with the clerk of the circuit court the difference between the amount paid by the agency under the interlocutory judgment and the amount finally determined by the final judgment to be the value. If the difference be less, then the court shall direct the clerk to return and refund the difference to the agency out of the amount paid into court under the interlocutory judgment, if said sum has not been withdrawn by the defendants, or if withdrawn by the defendants, the court shall enter judgment in favor of the agency against the defendants and their surety for said difference, together with interest at six percent per annum on the amount of the decrease from the date of withdrawal. The defendants, upon the payment by the agency into court of the amount set forth in the report and award of the commissioners, may, upon written demand, a copy of which shall be served upon the agency or its attorney at least ten days prior to withdrawal of the funds, subject to approval by the court, withdraw from the clerk of the circuit court the amount, provided defendants execute a bond, with surety approved by the court, or a judge thereof, conditioned upon the payment to the agency by the defendants of any amount which may be determined to be the difference between the amount paid into court by the agency and the final judgment in the case, should it be finally determined that the amount paid into the court by the agency was greater than the amount set forth in the final judgment, or that the defendants receiving the

funds were not the proper persons to receive same. The withdrawal of the amount by the defendants shall not prejudice or prevent defendants from filing answer, pleading or exceptions in the case, or from pursuing same if already filed, or taking any appeal, the same as if no withdrawal had been made. If defendants withdraw the amount paid into court by the agency, they shall be entitled to interest at six percent per annum from the date of the taking of possession by the agency only on the amount by which said sum may thereafter be increased. If defendants do not withdraw the amount paid into court by the agency, they shall be entitled to interest at six percent per annum from the date of the taking of possession by the agency only on the amount determined by the final judgment to be the value and amount defendants are entitled to receive for the land and property taken. The demand for an interlocutory judgment and the entering thereof is an additional remedy and right granted the agency, and the case shall continue and be disposed of in the same manner as if no interlocutory judgment had been demanded or entered.

(10) All money paid into court, or to the clerk of the circuit court, whether under an interlocutory judgment or a final judgment shall be received and held by the clerk subject to the order of the court, and the clerk and his sureties on his official bond shall be responsible to the persons entitled thereto.

(11) Where there are conflicting interests and claims in land and property sought to be condemned and all such parties are before the court, the claims and equities of any claimant and owner shall be decided by the court or jury, as the case may be, and the funds paid into court under an interlocutory judgment or final judgment shall be subject thereto. Such claims or determination of rights shall in no wise stay or delay said condemnation proceedings.

(12) If more than one piece of property is involved, owned by different persons, the jury shall render a separate verdict as to the property of each person, or the court may direct a separate trial for each piece of property owned by different persons.

(13) An appeal may be taken by either party in interest from the circuit court to the Court of Appeals in the manner, for any of the causes and subject to the rules provided by general laws regarding appeals from circuit court to the Court of Appeals,

but no appeal or supersedeas shall suspend the right of the agency to have possession of the property, easement or right-of-way condemned. Such appeals shall be advanced on the docket of the Court of Appeals.

(14) A slum area or blighted area acquired for a housing project by the housing commission of the community may be included in a redevelopment area and the use of such area for redevelopment shall be a public use as though such area were originally acquired for a redevelopment project.

HB 152, AN ACT relating to levy upon and sale of real property for ad valorem taxes in third class cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 92.680 of the KRS is amended to read as follows:

(1) If, in any city of the third class, there is no personal property out of which the collector can make the taxes, and the taxes are not paid within four months after he receives the tax books for collection, the collector may levy on any real property in the city belonging or listed to the delinquent taxpayer, and sell so much thereof for cash as will pay the taxes due, commissions and costs. The statutes governing the powers and duties of sheriffs in levying on and selling property under execution shall be applicable to the collector, and shall regulate his powers and action as to the order and manner of levying on property, the mode and time of advertising and the place of sale. *If there is more than one willing purchaser at the sale, the one having made the most recent purchase of a tax claim against the same delinquent on the same property shall have preference; if there is no such person the sale shall be made to the person being the first, in the judgment of the collector, to offer to pay cash in the full amount of the tax claim, including commissions and costs. If no responsible bid in the amount of the tax claim is received, the mayor shall purchase it for the city.* [The mayor, on behalf of the city, shall bid for the property the amount of the taxes due, commissions and costs of sale, and the property shall be sold to the mayor for the city unless someone offers to pay the same amount for a smaller quantity of the property.]

(2) When the collector levies on real estate, he shall evidence his levy by a writing, on a separate paper, in substantially the following form: "By virtue of the collector's tax book for the year _____, placed in my hands for collection by the common council, I have this day levied upon the following described real estate (here give a description of the property) as the property of AB, to satisfy the unpaid taxes of the said AB for the year ____, in favor of the city, and the costs of selling the same."

(3) All such sales of real property by the collector, and all deeds of conveyance made by him in pursuance thereof, shall be as valid as sales and conveyances of real property made by sheriffs under execution, and purchasers of real property at sales made by collectors shall be protected to the same extent, and as completely, as purchasers under execution sales.

SB 109, AN ACT relating to the qualifications of jurors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 29.025 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall be qualified as a juror for service on a grand or petit jury unless he or she is a citizen and for the preceding year has been a resident of the county wherein called to serve, at least *eighteen* [twenty-one] years of age, sober, temperate, discreet, and of good demeanor, not under indictment, and, if convicted of a felony, has been pardoned.

(2) The fact that a person not qualified served on a grand or petit jury shall not be cause for setting the indictment or verdict aside, nor shall exception be taken to any juror for lack of qualification after the jury has been sworn.

SB 36, AN ACT relating to carrying concealed deadly weapons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 435.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person, not expressly authorized by law, who carries concealed a deadly weapon, other than an ordinary pocket knife, on or about his person, or any person who sells a deadly weapon, other than an ordinary pocket knife, to a minor, shall be confined in the penitentiary for not less than two nor more than five years [.], *or fined not less than $50 nor more than $500.*

(2) Sheriffs, constables, marshals, policemen and other ministerial officers, when necessary for their protection in the discharge of their official duties; United States mail carriers, when actually engaged in their duties; and agents and messengers of express companies, when necessary for their protection in the discharge of their official duties, may carry concealed deadly weapons on or about their persons.

The Committee on Labor and Industry reported **HB 272** and **SB 28** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 272, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.150 of the Kentucky Revised Statutes is amended to read as follows:

Whenever compensation has been paid for not less than six months, thereafter, on the application of either party and upon notice to the other party, in any case where the board determines that it will be for the best interests of either party and will not subject the employer or his insurer to an undue risk of overpayment, future payments of compensation or any part thereof may be *ordered paid in* [commuted to] a lump sum of an amount which will equal the total sum of the probable future payments [so commuted, discounted at five percent per annum on each payment]. Upon payment of such lump sum all liability for the payment therein *paid* [commuted] shall cease.

SB 28, AN ACT relating to prevailing wages on public works.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 337.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in this chapter, unless the context requires otherwise:

(a) "Commissioner" means Commissioner of Labor; and

(b) "Department" means Department of Labor.

(2) KRS 337.050 and 337.060 shall not apply to employers and employes subject to the provisions of the Federal Railway Labor Act, the Federal Safety Appliance Act, the Federal Railroad Mediation Act, the Interstate Commerce Commission or the Kentucky Public Service Commission, nor to hospitals or charitable institutions, nor to employes of the state or United States or political subdivisions of either, nor to farming or work performed in homes, residences, restaurants, hotels and apartment houses such as cleaning, waiting on tables, washing dishes, cooking, answering calls of guests and waiting upon them and general house, restaurant or hotel work and outside salesmen.

(3) As used in KRS 337.210 to 337.360 unless the context requires otherwise:

(a) "Fair wage" means a wage fairly and reasonably commensurate with the value of the service or class of service rendered;

(b) "Minor" means a person of either sex under the age of eighteen years;

(c) "Occupation" means an industry, trade, or business or branch thereof or class of work therein in which employes are gainfully employed, but does not include domestic service in the home of the employer or labor on a farm;

(d) "Oppressive and unreasonable wage" means a wage that is both less than the fair and reasonable value of the services rendered and less than sufficient to meet the minimum cost of living necessary for health;

(e) "Woman" means a female of eighteen years or over;

(f) "Employer" is any person who employs an employe and includes any person acting directly or indirectly in the interest of an employer in relation to an employe; and

(g) "Employe" is any person employed by or suffered or permitted to work for an employer.

(4) KRS 337.210 to 337.360 shall not apply to any person subject to regulation by the Public Service Commission.

(5) As used in KRS *337.505* [337.510] to 337.550 unless the context requires otherwise:

(a) "Construction" includes construction, reconstruction, improvement, enlargement, alteration or repair of any public works by contract fairly estimated to cost more than five hundred dollars;

(b) "Contractor" and "subcontractor" include any superintendent, foreman, or other authorized agent of any contractor or subcontractor who is in charge of the construction of the public works or who is in charge of the employment or payment of the employes of such contractor or subcontractor who are employed in performing the work to be done or being done by the contractor or subcontractor under the particular contract with any public authority;

(c) *1.* "Locality" means the county where the physical work upon public works is performed, except if there is not available in the locality a sufficient number of competent skilled laborers, workmen, mechanics, helpers, [assistants] and apprentices to efficiently and properly construct the public works, "locality" shall include any other locality nearest the one in which the work of construction is to be performed and from which such available skilled laborers, workmen, mechanics, helpers, [assistants] and apprentices may be obtained in sufficient number to perform the work.

2. "Locality" with respect to contracts *advertised or awarded by* [with] the Department of Highways of this state *shall be determined by the Commissioner of Highways. He may designate any number of counties as constituting a single locality. He may also designate all counties of the Commonwealth as a single locality, but, in no event, shall he designate less than an entire county as a locality.* [may, in the discretion of the Commissioner of Highways, be construed to include two or more adjacent counties from which laborers, workmen, mechanics, help-

ers, assistants and apprentices may be reasonably accessible for work on such construction.]

(d) "Public authority" means any officer, board, or commission of this state, or any political subdivision or department thereof in the state, or any institution supported in whole or in part by public funds, *including publicly owned or controlled corporations,* authorized by law to enter into any contract for the construction of public works; and

(e) "Public works" includes all buildings, roads, streets, alleys, sewers, ditches, sewage disposal plants, waterworks and all other structures or work constructed under contract with this state, or any department or agency thereof, or political subdivision in the state.

(6) [KRS 337.510 to 337.550 shall not apply to the construction of public works] In any case where the federal government or any of its agencies furnishes by loans or grants any part of the funds used in constructing [such improvements] *public works, and* if the federal government or its agencies prescribe predetermined *prevailing* minimum wages to be paid to mechanics and laborers employed in the construction of such [improvements] *public works and where KRS 337.505 to 337.550 is also applicable, those wages in each classification which are higher shall prevail.*

Section 2. Section 337.505 of the Kentucky Revised Statutes is amended to read as follows:

For the purpose of KRS *337.505* [337.510] to 337.550, the term "prevailing wage" for each classification of laborers, workmen, mechanics, helpers, [assistants] and apprentices engaged in the construction of public works within the Commonwealth of Kentucky, means the sum of:

(1) The basic hourly rate paid *or being paid subsequent to the Labor Commissioner's most recent wage determination* to the majority of laborers, workmen, mechanics, helpers, [assistants] and apprentices employed in each classification of construction upon reasonably comparable construction in the locality where the work is to be performed; such rate shall be determined *by the Commissioner* in accordance with paragraphs (a), (b), and (c) of subsection (3) of KRS 337.520; in the event that there is not a

majority paid at the same rate, then the basic hourly rate of pay shall be the basic hourly rate of pay paid to the greater number: Provided, such greater number constitutes thirty per cent of those employed; or in the event that less than thirty per cent of those employed receive the same rate, then the basic hourly rate of pay shall be the average basic hourly rate which shall be determined by adding the basic hourly rates paid to all workers in the classification and dividing by the total number of such workers, and

(2) An additional amount per hour equal to the hourly rate of contribution irrevocably made or to be made by an employer on behalf of employes within each classification of construction to a trustee or to a third person pursuant to an enforceable commitment to carry out a financially responsible plan or program, which was communicated in writing to the employes affected, for the following fringe benefits; Medical or hospital care, pensions on retirement, death compensation for injuries or illness resulting from occupational activity or insurance to provide any of the foregoing, unemployment benefits, life insurance, disability and sickness insurance, accident insurance, vacation and holiday pay, defraying costs of apprenticeship or other similar programs, or other bona fide fringe benefits, but only where the employer is not required by other federal, state or local law to provide any of such benefits: Provided, said additional amount may, at the discretion of the employer, be paid either in cash to the employe or by contributions for fringe benefits, or partly in cash and partly by such contributions, it being the intention of this subsection to recognize fringe benefits as a part of the prevailing wage rate where made in accordance with this subsection.

Section 3. Section 337.510 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before advertising for bids or entering into any contract for construction of public works, every public authority *shall notify the department in writing of the specific public work to be constructed, and* shall ascertain from the department the prevailing rates of wages of laborers, workmen, mechanics, helpers, [assistants] and apprentices for the class of work called for in the construction of such public works in the locality where the work is to be performed. This schedule of *the prevailing rate of* wages shall *include a statement that it has been determined in accord-*

ance with the provisions of KRS 37.505 to 337.550 and shall be attached to and made a part of the specifications for the work and shall be printed on the bidding blanks and made a part of every contract for the construction of public works.

(2) The public authority advertising and awarding the contract shall cause to be inserted in the proposal and contract a stipulation to the effect that not less than the prevailing hourly rate of wages as determined by the commissioner shall be paid to all laborers, workmen, mechanics, helpers, and apprentices performing work under the contract. It shall also require in all the contractor's bonds that the contractor include such provisions as will guarantee the faithful performance of the prevailing hourly wage clause as provided by contract. It shall be the duty of the public authority awarding the contract, and its agents and officers, to take cognizance of all complaints of all violations of the provisions of KRS 337.505 to 337.550 committed in the course of the execution of the contract, and when making payments to the contractor becoming due under the contract, to withhold, and retain therefrom all sums and amounts due and owing as a result of any violation thereof. It shall be lawful for any contractor to withhold from any subcontractor under him sufficient sums to cover any penalties withheld from him by the awarding authority, on account of the subcontractor's failure to comply with the terms thereof and if payment has already been made to him, the contractor may recover from him the amount of the penalty in a suit at law.

Section 4. A new section of KRS 337.505 to 337.550 is created to read as follows:

(1) No public official, authorized to contract for or construct public works shall fail, before advertising for bids or undertaking such construction, to ascertain from the commissioner the prevailing rates of wages as provided in KRS 337.505 to 337.550.

(2) No member of a public authority authorized to contract for or construct public works shall vote for the award of any contract for the construction of such public works, or vote for the disbursement of any funds on account of the construction of such public works, unless such public authority has first ascertained from the commissioner the prevailing rates of wages of laborers, workmen, mechanics, helpers, and apprentices for the classes of

work called for by such public works in the locality where the work is to be performed and the determination of prevailing wages has been made a part of the proposal specifications and contract for such public works.

Section 5. Section 337.515 of the Kentucky Revised Statutes is amended to read as follows:

(1) KRS 337.505 [337.510] to 337.550 shall not apply to the construction of public works fairly estimated to cost less than $25,000, provided, however, that for any one public authority the aggregate amount of construction exempted by this section shall not exceed $75,000 during any calendar year.

(2) In case two or more public authorities enter into joint agreements for the construction of public works, KRS 337.505 [337.510] to 337.550 shall not apply to such construction if fairly estimated to cost less than $25,000. The amount of the exemption chargeable to each public authority for the purpose of the $75,000 annual limitation imposed by subsection (1) of this section shall be computed pro rata according to how each public authority is to share in the cost of the project.

Section 6. Section 337.520 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commissioner shall make initial determinations and current revisions thereof of schedules of rates of prevailing wages, of the amount of fringe benefits included therein as defined in KRS 337.505, and the number of hours applicable thereto. The commissioner shall have the authority to make and revise such rules and regulations as he may deem appropriate to carry out the provisions and purposes of KRS 337.505 [337.510] to 337.550 and to prevent the circumvention of evasion thereof. *Such rules and regulations may include, but shall not be limited to a provision that each contractor and subcontractor shall furnish weekly a sworn affidavit with respect to the wages paid each employe during the preceding week and such other relative information and in such form as the commissioner may require.* No rule or regulation or revisions thereof shall be issued by the commissioner except upon reasonable notice to, and opportunity to be heard by, any interested person.

(2) The commissioner shall require the filing of all wage contracts of all laborers, workmen, mechanics, helpers, [assistants] and apprentices in this state which have been agreed to between bona fide organizations of labor and an employer or associations of employers. Such contracts shall be filed within ten days after they are signed.

(3) The commissioner shall have the authority to determine schedules, and current revisions thereof, of the rates of prevailing wages as defined in KRS 337.505, but in no case shall the commissioner determine wages to be paid for a legal day's work to laborers, workmen, mechanics, helpers, [assistants] and apprentices engaged in the construction of public works at less than the prevailing wages paid in the localities. The commissioner in determining what rate of wages prevail shall consider the following criteria:

(a) Wage rates paid on previous public works constructed in the localities. In considering such rates the commissioner shall ascertain, insofar as practicable, the names and addresses of the contractors, including subcontractors, the locations, approximate costs, dates of construction and types of projects, the number of workers employed on each project and the respective wage rates paid each worker who was engaged in the construction of these projects.

(b) Wage rates previously paid on reasonably comparable private construction projects constructed in the localities. In considering such rates the commissioner shall ascertain, insofar as practicable, the names and addresses of the contractors including subcontractors, the locations, approximate costs, dates of construction and types of projects, the number of workers employed on each project and the respective wage rates paid each worker who was engaged in the construction of these projects.

(c) Collective bargaining agreements or understandings between bona fide organizations of labor and their employers located in the Commonwealth of Kentucky which agreements apply or pertain to the localities wherein the public works are to be constructed.

(4) The wage rates to be used by the public authority in a contract for the construction of public works shall be the prevailing wage as of the date the public works project is advertised

and offered for bid. If contracts are not awarded within ninety days after the date of offering for bid the public authority shall reascertain the prevailing rate of wages from the department before the contract is awarded. The schedule or scale of prevailing wages shall be incorporated in and made a part of each contract.

Section 7. Section 337.525 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person or party claiming to be aggrieved by any final determination of prevailing wages by the Prevailing Wage Review Board may appeal to the Franklin Circuit Court. The appeal shall state fully the grounds upon which an appeal is sought and assign all errors relied upon. A copy of the appeal and summons shall be served upon the Department of Labor and the members of the Prevailing Wage Review Board and within thirty days after such service, or within such further time as the court may allow, the department on behalf of the Prevailing Wage Review Board shall submit to the court a certified copy of all matters considered by the Prevailing Wage Review Board from which it made its final wage determination.

(2) No new or additional evidence may be introduced in the Franklin Circuit Court except as to the fraud or misconduct of some person engaged in the administration of this chapter and affecting the order, ruling or award. The court shall otherwise hear the appeal upon the record as certified by the Department of Labor and shall dispose of same in summary manner. The court shall not substitute its judgment for that of the Prevailing Wage Review Board, the court's review being limited to determining whether or not:

(a) The Prevailing Wage Review Board acted without or in excess of its powers;

(b) The Prevailing Wage Review Board's final wage determination was procured by fraud;

(c) The determination is not in conformity with the provisions of this chapter;

(d) The determination is clearly erroneous on the basis of the information contained in the record; or

(e) The final wage determination is arbitrary or capricious.

(3) The Franklin Circuit Court thereafter shall enter an order affirming or setting aside the Prevailing Wage Review Board's wage determination. The court may also remand the case to the Prevailing Wage Review Board for further proceedings.

(4) An appeal may be taken to the Court of Appeals from any decision of the Franklin Circuit Court under this section.

[(1) Any interested person or party aggrieved by a final determination of a prevailing wage review board shall be entitled to judicial review thereof in Franklin Circuit Court. Proceedings for review shall be instituted by filing a complaint with the court within thirty days after notification of the final decision of the board. A copy of the complaint and summons shall be served upon the Department of Labor which shall constitute service upon the board. Within thirty days after such service, or within such further time as the court may allow, the department shall transmit to the court the original or a certified copy of the record of the proceeding under review; but, by stipulation, the record may be shortened. The review shall be conducted by the court without a jury; and except as otherwise provided by this section, the applicable Rules of Civil Procedure shall be followed. The review shall be confined to the record, except that in cases of alleged fraud or misconduct of some person engaged in the administration of KRS 337.510 to 337.550 testimony thereon may be taken in the court. The court may affirm the determinations of the board, or remand the case for further proceedings, or it may reverse or modify the board's determinations if substantial rights have been prejudiced because the findings, conclusions, or determinations are: (a) in violation of constitutional or statutory provisions; or (b) in excess of the statutory authority or jurisdiction of the board; or (c) procured by fraud; or (d) not supported by substantial evidence. Proceedings for the judicial review of final wage determinations or intermediate department or board action involving wage determinations for the construction of public works shall not be instituted except as provided by this section.]

[(2) Any final judgment of the Franklin Circuit Court may be reviewed by appeal to the Court of Appeals. Such appeal shall be taken in the manner provided by law for appeals from the circuit courts in other cases.]

Section 8. Section 337.530 of the Kentucky Revised Statutes is amended to read as follows:

(1) Where a prevailing rate of wages has been determined and prescribed, the contract executed between a public authority and the successful bidder or contractor shall contain a provision requiring the successful bidder and all of his subcontractors to pay *not less than* the rate of wages so established. The successful bidder or contractor and all subcontractors shall strictly comply with these provisions of the contract.

(2) All contractors and subcontractors required by KRS *337.505* [337.510] to 337.550 and by contracts with any public authority to pay not less than the prevailing rate of wages, shall pay such wages in legal tender without any deductions. These provisions shall not apply where the employer and employe enter into an agreement in writing at the beginning of or during any term of employment covering deductions for food, sleeping accommodations or any similar item if this agreement is submitted by the employer to the department and is approved by the department as fair and reasonable. All contractors and subcontractors affected by the terms of KRS *337.505* [337.510] to 337.550 shall keep full and accurate payroll records covering all disbursements of wages to their employes to whom they are required to pay not less than the prevailing rate of wages. Such records shall indicate the hours worked each day by each employe in each classification of work and the amount paid each employe for his work in each classification. They shall be open to the inspection and transcript of the commissioner or his authorized representative at any reasonable time, and every employer shall furnish to the commissioner or his authorized representative on demand a sworn statement of them, *and shall comply with all regulations issued by the commissioner.* The commissioner may require the statement to be upon forms prescribed or approved by him. These payroll records shall not be destroyed or removed from this state for one year following the completion of the improvement in connection with which they are made.

(3) Each contractor and subcontractor subject to the provisions of KRS *337.505* [337.510] to 337.550 shall post and keep posted in a conspicuous place or places at the site of the construction work a copy or copies of prevailing rates of wages and work-

ing hours as prescribed in the contract with the public authority, showing the rates of wages prescribed and the working hours for each class of laborers, workmen, mechanics, helpers, [assistants] and apprentices employed by him in the work of constructing the public works provided for in the contract with the public authority.

(4) Every employer shall permit the commissioner or his authorized agents to question any of his employes at the site of the public work and during work hours in respect to the wages paid, hours worked and duties of such employe or other employes.

Section 9. A new section of KRS 337.505 to 337.550 is created to read as follows:

If it is found that a public authority has not complied with KRS 337.505 to 337.550, the commissioner shall give notice thereof in writing to such public authority. Sufficient time may be allowed for compliance therewith as the commissioner deems necessary. After the expiration of the time prescribed in the notice, the department shall at the earliest possible time bring suit in the circuit court of the county in which such public body is located to enjoin the award of such contract for a public works or any further work or payments thereunder if the contract has been awarded until the requirements of such notice are complied with. The court may issue a temporary restraining order without notice to the defendant in such action. Upon final hearing thereof, if the court is satisfied that the requirements of the notice by the department to the defendant were not unreasonable or arbitrary, it shall issue an order enjoining the defendant from awarding such contract for a public works or any further work or payments thereunder if the contract has been awarded until the notice is complied with. Such injunction shall continue operative until the court is satisfied that the requirements of the notice have been complied with and the court shall have and exercise with respect to the enforcement of such injunctions all the power invested in it in other similar cases. Both the plaintiff and the defendant in such action have the same rights of appeal as are provided by law in other injunction actions.

Section 10. Section 337.550 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any laborer, *workman,* [or] mechanic, *helper, or apprentice* employed on public works may file a complaint of any violation of any provision of KRS *337.505* [337.510] to 337.550 with the department. The department shall assist him in the collection of claims of wages due him and shall also assist to the fullest extent in the administration and enforcement of KRS *337.505* [337.510] to 337.550.

(2) A laborer, *workman, mechanic, helper, or apprentice* [or worker] may by civil action recover any sum due him as the result of the failure of his employer to comply with the terms of KRS *337.505* [337.510] to 337.550. *The commissioner may also bring any legal action necessary to collect claims on behalf of any or all laborers, workmen, mechanics, helpers, or apprentices. No employer shall take any punitive measure or action against an employe because such employe has made a charge, testified, assisted or participated in any manner in an investigation, proceeding or hearing under KRS 337.505 to 337.550. The commissioner shall not be required to pay the filing fee, or other costs, in connection with such action.*

Section 11. Section 337.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any firm, individual, partnership or corporation that violates KRS 337.020 shall be fined not less than twenty-five dollars nor more than one hundred dollars for each offense. Each failure to pay an employe the wages when due him under KRS 337.020 shall constitute a separate offense.

(2) Any person who violates KRS 337.030 shall be fined not more than five hundred dollars for each violation.

(3) Any employer who violates KRS 337.050 shall be fined not less than twenty-five dollars nor more than two hundred dollars or imprisoned for not more than thirty days, or both.

(4) Any person who violates KRS 337.060 shall be fined not more than three hundred dollars or imprisoned for not more than sixty days, or both.

(5) Any employer or agent of an employer who fails to

keep and present records as provided in KRS 337.320 or who falsifies such records, or who fails to keep posted a copy of the minimum fair-wage orders as required in KRS 337.330, or who in any way hinders the commissioner or his authorized representative in the enforcement of KRS 337.210 to 337.360 shall be fined not less than twenty-five dollars nor more than one hundred dollars. Each day of violation of any of these provisions shall constitute a separate offense.

(6) Any person who violates subsection (1) of KRS 337.350 shall be fined not less than fifty dollars nor more than two hundred dollars.

(7) Any person who violates subsection (2) of KRS 337.350 shall be fined not less than fifty dollars nor more than two hundred dollars or be imprisoned not less than ten days nor more than ninety days, or both. Each day subsection (2) of KRS 337.350 is violated shall constitute a separate offense.

(8) Any person who violates any of the provisions of KRS 337.370 to 337.400 shall be fined not less than twenty-five dollars nor more than fifty dollars for the first offense, and for each subsequent offense he shall be fined not less than fifty dollars nor more than two hundred dollars or imprisoned not less than ten days nor more than ninety days, or both.

(9) Any person who violates KRS 337.530 shall be fined not more than one hundred dollars.

(10) Any contractor or subcontractor who violates any wage or work hours provisions in any contract under KRS 337.505 [337.510] to 337.550 shall be fined not more than one hundred dollars for each offense [.], *and* said contractor or subcontractor shall make full restitution to all employes to whom he is legally indebted by reason of said violation. *The prime contractor shall be jointly and severally liable with a subcontractor for wages due an employe of the subcontractor. For a flagrant or repeated violation the offending* [Further, said] contractor or subcontractor shall be barred from bidding on, or working on, any and all public works contracts, either in his name or in the name of any other company, firm, or other entity in which he might be interested *for a period of two years from the date of the last offense.* [until such restitution is complete]. Each day

of violation shall constitute a separate offense, and the violation as affects each individual worker shall constitute a separate offense.

(11) Any public authority, *public official, or member of a public authority* who willfully fails to comply or to require compliance with KRS 337.505 [337.510] to 337.550 shall be fined not more than one hundred dollars for each offense. *Each day of violation shall constitute a separate offense. Where a public authority, public official or member of a public authority willfully or negligently fails to comply with KRS 337.505 to 337.550 and such failure results in damages, injury or loss to any person, such public authority, public official, or member of a public authority may be held liable therefor in a civil action.*

(12) Any person who fails to comply with KRS 337.070 shall be fined not less than ten dollars, nor more than one hundred dollars for each offense and each day that such failure continues shall be deemed a separate offense.

Section 12. A new section of KRS 337.505 to 337.550 is created to read as follows:

If a review of the commissioner's determination is requested pursuant to KRS 337.522 (2), the wage rates to be used by the public authority in a contract for the construction of public works advertised during the pendency of the proceedings provided in KRS 337.522 (2), or on appeal pursuant to KRS 337.525, shall be the latest rate determined by the commissioner and which is being reviewed. The public authority shall place in its advertisement, bid documents and contracts, a statement to the effect that the prevailing wage rates contained therein are presently being reviewed and subject to change by appropriate reviewing authorities, and if said rates are modified or altered, the contractors shall be responsible for the payment of the wage rates finally determined. Should any rates be increased from that determined by the commissioner, the contractor may recover from the public authority any additional sums of money which he may be required to pay as a result of said wage modification or alteration. Should any rates be decreased from that determined by the commissioner, the public authority shall be barred from any recovery of the difference previously earned by or paid to employes.

The Committee on Rules reported **HB 34, HB 102, HB 159, HB 192, HB 208, HB 276, HR 39, HR 40, HB 114** and **HB 185** have been posted for passage in Orders of the Day, February 9, 1970.

Motions, Petitions and Communications

Representative J. O. Hardin moved that with approval of the Committee on Rules, **HB 303** be transferred from the Committee on Judiciary to the Committee on Cities. Agreed.

Recess

Representative W. J. Reynolds moved that the House recess for thirty minutes for caucus of majority and minority parties. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Calendar

HB 178, HB 205, HB 255, HB 256, HB 300 and **HB 327** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Senate Message

Announcing passage of **SB 132, SB 146, SB 108, SB 147, SB 151, SB 168, SB 179, SB 140, SB 77, SB 115, HB 13, HB 12** with Senate Amendment attached thereto, **HB 47** and **HR 10.**

Orders of the Day

Representative McBrayer moved that consideration of **HB 139** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 18, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McBrayer moved the adoption of the Committee Substitute for **HB 18.** Agreed.

On the roll call the vote was yeas 93—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 1—Blythe.

HB 18, by way of Committee Substitute, was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 18**, by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 1, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lindsay moved the adoption of the Committee Amendment to **HB 1.** Agreed.

On the roll call the vote was yeas 96—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chap-

man, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 1 as amended was passed and the title agreed to.

Representative Lindsay moved that the vote by which **HB 1** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 4, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Murphy moved the adoption of the Committee Substitute for **SB 4**. Agreed.

On the roll call the vote was yeas 89—Alexander, Allen, Arnett, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Yocom. Nays 3—Baker, Mitchell, Schmidt.

SB 4, by way of Committee Substitute, was passed and the title agreed to.

Representative McBrayer moved that the vote by which **SB 4**, by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 333 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blume moved the adoption of the following Amendment No. 1 to **HB 333:**

Amend printed copy of House Bill 333 on page 2, line 16, by: striking the words "not itemized"

Agreed.

Representative Blume moved the adoption of the following Amendment No. 2 to **HB 333:**

Amend printed copy of House Bill 333 on page 2, line 28, by: striking the words "September 1," and substituting therefor the words "December 31,"

and on page 3, line 24, by adding the following words: "This separate cost item may be recovered in the sale price of the distilled spirits."

Agreed.

On the roll call the vote was yeas 73—Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Durham, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Huff, Hughes, Keith, Kenton, Kidd, Kleier, Lewis, Lindsay, Lovins, McBrayer, McCann, McKinney, McNamara, May, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Salyers, Sharpe, Simmons, Swinford, Tobin, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt. Nays 16—Alexander, Holloway, Isler, Kessinger, King, McBride, Massey,

Mershon, Miller, Ray, Ruh, Schmidt, Siemens, Stuart, Van Horn, Yocom.

HB 333 as amended was passed and the title agreed to.

Representative Blume moved that the vote by which **HB 333** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 13, HB 47** and **HR 10** had been examined and found correctly enrolled. **HB 13, HB 47** and **HR 10** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 13, HB 47 and **HR 10** delivered, signed by President. Ordered delivered to the Governor.

Representative Rickert moved that the Rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 421, by Representative Rickert: AN ACT relating to the establishment of a Citizens Conservation and Environmental Council.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Education: **HB 198, HB 365, HB 271.** (Room 401, February 12, 1970, 10:00 a.m.)

Cities: **HB 303.** (Room 401, February 9, 1970, on adjournment)

Elections and Constitutional Amendments: **HB 263.** (Room 402, February 10, 1970, 10:45 a.m.)

Representative McBrayer moved that the House adjourn until 3:00 p.m., Monday, February 9, 1970.

On the roll call the vote was yeas 51—Alexander, Allen, Baker, Archie Brown, Carter, Conn, Curlin, James A. Davis, Deskins, Donnermeyer, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keene, Keith, Kenton, Kidd, Kleier, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McKinney, Massey, May, Mitchell, Nett, Osborne, Parish, Paxton, Pollitte, Prather, Priddy, Rickert, Stuart, Swinford, Van Horn, Wenz, West, Wheeler, Glenn White, Wible, Wyatt. Nays 5—Blythe, Clarke, Kessinger, King, Ray.

The motion to adjourn was adopted.

MONDAY, FEBRUARY 9, 1970

TWENTY-EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Chester Pike, First Church of the Nazarene, Frankfort.

The roll was called. All present except Representatives Bartley, Lindsay, McGill and W. J. Reynolds.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 6, 1970 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 422, by Representative Freeman: AN ACT relating to state and federal highways.

HB 423, by Representative DeMarcus: AN ACT relating to boiler safety.

HB 424, by Representative Blume: AN ACT relating to the practice of medicine.

HB 425, by Representatives Hughes, Nett, Miller, Yocom, Blume, Kleier and Ray: AN ACT relating to civil service in cities of the first class.

HCR 46, by Representatives DeMarcus, McKinney, Sharpe, Wright, J. Davis, Huff, Floyd, Collins, Schmidt, Stuart, Wheeler, Blythe, Keith, Kessinger, J. E. White, Holloway, Knuckles, L. T. Hardin, Osborne, H. Brown, A. Brown, W. Davis, Simmons, Bartley, Baker, Durham, West and Rattliff: A CONCURRENT RESOLUTION to adjourn the General Assembly on February 11, 1970, in memory and honor of Abraham Lincoln.

HR 47, by Representative Wells: A RESOLUTION adjourning the General Assembly on Monday, February 9, 1970, in honor, memory and tribute to Governor Keen Johnson.

HB 426, by Representative Baker: AN ACT relating to the heights of objects above the ground.

Report of Committees

The Committee on Education reported **HB 142** with Committee Amendment attached thereto, **HB 66** with Committee Amendment attached thereto, **HB 365, HB 158, HB 150** and **HB 209** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 142, AN ACT relating to sick leave for teachers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.155 of the Kentucky Revised Statutes is amended to read as follows:

(1) For the purpose of this section, "teacher" shall mean any person for whom certification is required as a basis of employment in the common schools of the state.

(2) Each district board of education shall allow to each teacher in its common school system not less than ten days' sick leave during each school year, without deduction of salary. [,] *Sick leave shall be granted to a teacher if* [provided] he presents a personal affidavit or a certificate of a reputable physician stating that *the teacher or a member of his immediate family* [he] was ill on the day or days absent. *The ten days of sick leave herein granted may be taken by a teacher on any ten days of the school year and shall be granted in addition to accumulated sick leave days that have been credited to the teacher under the provisions of subsection (3) of this section.*

(3) [Any] *Days* of sick leave not taken *by a teacher* during any school year shall accumulate and *be credited to that teacher. Accumulated sick leave* may be taken in any [subsequent] school year or years, except that no teacher shall be entitled to take more than *sixty* [twenty] days of accumulated sick leave unless the district board of education [, in its discretion,] authorizes a greater number of days to be accumulated.

Any district board of education may, in its discretion, allow teachers in its common school system sick leave in excess of the number of days prescribed in this section.

(4) Pay for unused sick leave accruing to a teacher under subsections (2) and (3) of this section shall be paid to a teacher upon termination of his employment by reason of retirement or death. The rate of pay at the time of retirement or death shall be used in determining the amount of payment. If the reason for termination is death, payment shall be made to the estate of the deceased teacher. [Each district board of education may adopt regulations under which any teacher may use accumulated sick leave days for personal reasons of an emergency or extraordinary nature, not to exceed three days per school year.]

(5) Payments made by a district board of education under the provisions of this section are presumed to be for services rendered and for the benefit of the common schools; and the payments do not affect the eligibility of any school district to participate in the foundation program as established in KRS Chapter 157.

The Committee Amendment to **HB 142** is as follows:

Amend printed copy of House Bill 142 on page 2, line 15, by: deleting the word "shall" and adding the word "may".

HB 66, AN ACT relating to school attendance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 158.030 of the Kentucky Revised Statutes is amended to read as follows:

A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight or more months during the school year and every child residing in the district who is six years of age and over has had the privilege of attending it. Provided, however, that any child who is six years of age or who may become six years of age by *December 1, 1970, November 1, 1971 and by October 1 in any year thereafter* [December 31] follow-

ing the opening of school may enter school provided that he enters within thirty calendar days of the beginning of that school year, with the exception that in schools having mid-year promotions any child who is six years of age or who may become six years of age within thirty calendar days after the opening of the second semester may enter school at the beginning of that semester. Any child who becomes six years of age later than *October 1* [December 31] following the opening of the school year shall not enter school during that year and in schools having mid-year promotions any child who becomes six years of age later than thirty days after the opening of the second semester shall not enter school during that semester.

The Committee Amendment to **HB 66** is as follows:

Amend printed copy of House Bill 66 on page 2, line after 13, following the period, insert the following sentence:

"The provisions herein shall not apply to any child who is enrolled in nursery school, kindergarten or other pre-school program during the year 1969-70."

HB 365, AN ACT relating to the certification of teachers in non-tax supported schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) The certification of all superintendents, principals, teachers, supervisors, attendance officers and other administrative, supervisory, or instructional employes is vested in the State Board of Education. All certificates issued under KRS 161.010 to 161.120 shall be issued in accordance with the published rules and regulations of the State Board of Education through the Superintendent of Public Instruction. *In the case of non-tax supported schools, standards for teacher certification shall provide for the certification without further educational requirements, of any administrator, supervisor, or teacher who has attended, and received a bachelor's degree from, a college or university accredited by a national or regional association in the United States, or who, at the discretion of the State Board of Education, has the*

equivalent degree from a foreign college or university of comparable standing.

(2) Certificates shall be issued, reissued and renewed to persons who have completed, at the state universities of Kentucky, at Kentucky State College or at the College of Education of the University of Kentucky, the curricula prescribed by the Council on Public Higher Education and approved by the State Board of Education for the certificates.

(3) The State Board of Education shall approve the curricula of any standard college or university, or of any department thereof for the training of teachers, when the curricula comply with the rules and regulations of the State Board of Education and are equivalent to any or all the curricula prescribed for the state institutions for the issuance of certificates to students of the state institutions, and when the institution has otherwise met the terms and conditions provided in KRS 161.010 to 161.120. Any student of such institution who has completed any of these curricula or the equivalent thereof, as approved by the State Board of Education, and who in addition thereto has completed the prescribed requirements for the issuance of certificates for teaching to students of the state institutions may, by the State Board of Education, be granted a certificate for teaching of the same validity and tenure as certificates issued to students completing like requirements in the state institutions.

HB 158, AN ACT relating to the transfer of adjacent territory from one school district to another school district.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS 160.046 to 160.065 is created to read as follows:

The provisions of KRS 160.045 shall govern the transfer of adjacent areas from one school district to another school district in all counties except counties containing a city of the first class.

Section 2. A new section of KRS 160.046 to 160.065 is created to read as follows:

(1) The provisions of this section shall govern the transfer

of adjacent areas from one school district to another school district in counties containing a city of the first class.

(2) (a) Twenty-five percent of the registered voters in all precincts encompassing a contiguous area of one or more precincts adjacent to either a county or independent school district may petition for transfer of such area to the school district other than that in which it is located.

(b) The petition shall be filed with the fiscal court which shall determine whether the petition contains enough signatures of qualified voters to submit the question to the voters of the area affected. The board or boards of registration in the county shall give necessary and appropriate aid to the fiscal court so that the latter body may make the conclusive determination of whether the petition is valid.

(c) If the petition is valid, the fiscal court shall submit to the voters of all the precincts encompassing the area at the next regular general election the question of whether such transfer shall be effected; provided that where such petition is filed within sixty days of such a regular election, the referendum shall be held at the next regular general election thereafter. The question shall be so framed that the voter may by his vote answer, "for" or "against".

(d) If a majority of the votes cast upon the question favor its passage, the area shall be transferred to the other school district.

(e) The question of transfer of such an adjacent area may be resubmitted in the same manner as an initial submission under this section, but it shall not be resubmitted to any voter unless new evidence warranting the presentation of the question is submitted to and approved by the circuit court.

(3) The respective boards of education shall have a period of 90 days after certification of the results of an election approving transfer of the area in which to negotiate the terms of such transfer. If said boards fail to come to an agreement, then either board or any resident voter within the area may bring suit in the circuit court of the county in which such area is located to have such transfer effected. The court costs of such litigation shall be paid equally by the two school board districts. The circuit court

shall decide upon equitable terms for such transfer and in its consideration shall be governed by any policies and rules and regulations of the State Board of Education which may be affected by the transfer of the area and shall give due consideration to the following:

(a) The ratio of the wealth of the territory involved in its relation to the total wealth of the transferor district;

(b) The effect of the territorial loss or gain on the educational programs of the respective districts;

(c) Extent of and effect of the physical plant facilities and equipment available in each of the respective districts;

(d) The indebtedness in bonded or rental obligations of the respective districts;

(e) Any contemplated indebtedness or obligations arising out of the transfers;

(f) Such other factors as may have a bearing upon the determination of the desirability of the proposed transfer from the vantage point of all interested persons;

(g) The replacement value of any school buildings or other educational facilities in such area and owned by the transferor school board district;

(h) If, at the time of such transfer, the transferor school board district has outstanding any bonded indebtedness incurred for school buildings and grounds, the recipient school district shall assume an allocable share of payments on said indebtedness in the proportion the assessed valuation of the property taxable for school purposes transferred bears to the total assessed valuation of property taxable for school purposes in the transferor district.

HB 150, AN ACT relating to teacher retirement benefits.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.520 of the Kentucky Revised Statutes is amended to read as follows:

Upon the death of an active contributing member or upon the death of a teacher retired for disability, the board of trustees

shall pay to the estate or assigns of the deceased teacher a refund of his accumulated contributions; provided, however, the survivors of the deceased teacher in the following named order, may elect to receive in lieu of the accumulated contributions a survivor's benefit payable as follows:

(1) Where the survivor is a widow, or a dependent widower, [and the survivor's marriage to the deceased teacher took place at least one year prior to the teacher's death,] the benefit shall be one hundred *and fifty* dollars per month.

(2) Where the survivor is an unmarried child under age eighteen, the benefit shall be one hundred *and twenty-five* dollars per month in the case of one such child, *two* [one] hundred and *twenty-five* [sixty] dollars per month in the case of two such children, *two* [one] hundred and *seventy-five* [eighty-five] dollars per month in the case of three such children, and *three* [one] hundred [and ninety-five] dollars per month in the case of four or more such children.

(3) Where the survivor is a child age eighteen or older whose mental or physical condition is sufficient to cause his dependency on the deceased member at the time of the member's death, the benefit shall be one hundred and *fifty* [twenty-five] dollars per month, payable for the life of such child or until such time as the mental or physical condition creating the dependency no longer exists. Benefits under this subsection and subsection (1) shall apply to legally adopted survivors provided the proceedings for the adoption were initiated at least one year prior to the death of the member. Benefits under this subsection and subsection (1) shall apply notwithstanding an eligible widow or dependent widower survives the deceased member.

(4) Where the sole eligible survivors are dependent parents aged sixty-five or over, the benefit shall be one hundred *and fifty* dollars per month for one parent or *two hundred* [one hundred and forty] dollars per month for two parents. Dependency of a parent shall be established as of the date of the death of the member.

(5) Where the sole eligible survivor is a dependent brother or sister, the benefit shall be one hundred *and twenty-five* dollars per month. In order to qualify the brother or sister must have been a resident of the deceased member's household for at

least one full year prior to the member's death or must have been receiving care in a hospital, nursing home or other institution at the member's expense for a like period.

(6) The benefit to a child as defined in subsection (2) of this section shall terminate upon the attainment of age eighteen or upon marriage, *except that benefits shall continue until the attainment of age twenty-three for a child who is a full time student in a recognized educational program beyond the high school level.* The benefit to a widow, dependent widower, dependent parent or dependent brother or sister or dependent child age eighteen or older shall terminate upon marriage, or upon termination of the condition creating the dependency. The benefit shall not be paid during the time the survivor, other than a child, is receiving an annuity, pension or allowance in excess of one hundred *and fifty* dollars per month from a retirement or pension system in the state of Kentucky financed in whole or part by public contributions, excluding Old Age and Survivors Insurance [or has income from all sources of $3,600 per year not including any benefit payable under the terms of KRS 161.220 to 161.710. If income from all sources exceeds $3,600 per year, one dollar shall be subtracted from the benefit for each dollar of total income exceeding $3,600 per year].

(7) The board of trustees shall be the sole judge of eligibility or dependency of any beneficiary, and may require formal application or information relating thereto, including proof of annual income satisfactory to the board. The board of trustees may subpoena records and individuals whenever it deems such action necessary.

(8) No payments of benefits shall be made unless the board of trustees shall have authorized such payments. The board shall formulate and adopt necessary rules and regulations for the administration of the foregoing provisions and in every case the decision of the board of trustees shall be final as to eligibility, dependency, or disability, and the amounts of benefit payable.

Section 2. Section 161.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) The retirement allowance of a member retiring for service July 1, 1966, or thereafter whose age at retirement is

sixty years or more shall be the sum of (a) the prior service years multiplied by forty dollars and (b) two percent of the annual salary in Kentucky multiplied by the number of years of service credit after July 1, 1941. The retirement allowance of a member whose age at retirement is less than sixty shall be reduced at the rate of five percent for each year that the member is less than sixty. Actuarial factors in use by the retirement system for all purposes shall be determined by the actuary of the retirement system and approved by the board of trustees.

(2) The retirement allowance of a member whose age as of July 1, 1966, is sixty-five or older shall be the larger as computed by the two methods hereinafter described: (a) applying the procedures as set forth in subsection (1) of this section or; (b) one percent of his average annual salary for prior service for each year of prior service credit plus one and three-fourths percent of his annual salary for each year after July 1, 1941, increased in accordance with the actuarial equivalents in use by the teachers' retirement system as of July 1, 1965.

(3) The retirement allowance of all teachers retired prior to July 1, 1964, shall be increased by (a) the amount of ten percent or; (b) multiplying the total number of years of service by forty-five dollars, whichever is greater. Effective July 1, *1970* [1967], and annually on July 1 thereafter the annual retirement allowance of each retired teacher shall be increased in the amount of one percent of the retirement allowance in effect on July 1, *1970* [1967], or the date of retirement, whichever occurs later. *Effective July 1, 1970, the monthly retirement allowance of each teacher retired as of that date shall be increased in the amount of two dollars multiplied by the number of years or fractions thereof which have elapsed since the effective date of the member's retirement and July 1, 1970, but not to exceed a maximum of twenty years.*

[(4) For any member retiring on or after July 1, 1955, no retirement allowance at time of retirement shall be greater than three-fourths of the annual salary unless such allowance shall result from the application of a statutory minimum.]

(4) [(5)] Any teacher qualifying for retirement shall be entitled to receive an annual allowance amounting to not less than forty-five dollars multiplied by the service credit years of

the teacher, except that no retired teacher shall receive a monthly benefit of less than fifty-five dollars.

(5) [(6)] The minimum provided in this section shall apply in the case of teachers retired or retiring under an option in the same proportion to the benefits of the teacher and his beneficiary or beneficiares.

Section 3. Section 161.655 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon the death of a retired teacher who at the time of death is receiving a retirement or disability allowance, or upon the death of an active contributing member a death benefit of *two* [one] thousand dollars shall be paid to his estate following application to the board of trustees, together with acceptable evidence of death and eligibility.

(2) Suit or civil action shall not be required for the collection of the death benefit provided herein, but nothing in this section shall prevent the maintenance of suit or civil action against the beneficiary or legal representative receiving the death benefit.

Section 4. Section 161.675 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board of trustees is empowered to enter into contracts with insurance carriers for the purpose of providing a broad program of hospital and [major] medical insurance coverage to retired teachers age sixty or older *and to teachers retired by reason of disability,* [and] to the spouses *and minor children* of said retired teachers *and to spouses receiving monthly benefits under the provisions of KRS 161.525.*

(2) The coverage provided shall be as set forth in the contracts and the regulations of the board of trustees. The contracts and regulations shall provide for, but not be limited to, hospital room and board, surgical procedures, doctors' care in the hospital and miscellaneous hospital costs.

(3) The board of trustees is empowered to pay premiums for insurance coverage from the hospital and medical insurance fund. It may provide such insurance coverage as is deemed

desirable by making payment to institutions and individuals for services performed.

(4) Contracts negotiated may include the provision that a stated amount of hospital cost or period of hospitalization shall incur no obligation on the part of the insurance carrier or the retirement system.

(5) The board of trustees is empowered to adopt such rules and regulations as are necessary to assure efficient operation of the hospital and medical insurance program.

Section 6. The provisions of this Act shall become effective July 1, 1970.

HB 209, AN ACT relating to the education of exceptional children.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 157.305 of the Kentucky Revised Statutes is amended to read as follows:

(1) In lieu of the statutory requirements concerning education of exceptional children and until such time as the local boards of education are able to provide adequate instruction and facilities for exceptional children in their respective districts, private schools that [are now established and] are providing instruction and facilities for exceptional children may qualify as state schools for exceptional children.

(2) To qualify as a state school for the exceptional children a private school shall:

(a) Submit to the State Board of Education with its application for such qualification the names and addresses of the governing body of the school. The State Board of Education may approve or disapprove the governing body as it exists or may appoint such additional members thereto as it deems advisable;

(b) Submit the type of instruction and program now being provided, the qualifications of the instructors employed and the facilities now available. The State Board of Education may approve or disapprove the program, personnel or facilities now

existing or it may make its approval contingent on such recommended improvements as it deems advisable.

(3) Once a school has qualified as a state school for exceptional children, the State Board of Education upon the recommendation of the Superintendent of Public Instruction may allow to such school one hundred dollars annually per exceptional child in average daily attendance; provided that such school meets and continues to meet the standards promulgated by the State Board of Education for schools qualifying under this section.

Calendar

HB 23, HB 29, HB 152, HB 187, HB 204, HB 262, HB 272, HB 299, SB 28, SB 36 and **SB 109** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

Representative Wells moved the adoption of **HR 47.**

HR 47, A RESOLUTION adjourning the General Assembly on Monday, February 9, 1970, in honor, memory and tribute to Governor Keen Johnson.

WHEREAS, Keen Johnson, Governor, Lieutenant Governor, devoted public servant and compassionate fellow human has departed this earthly life; and

WHEREAS, this true Kentucky gentleman leaves a legacy of good works, kind thoughts, public monuments and fond remembrances; and

WHEREAS, in all his endeavors Keen Johnson demonstrated that single-minded purpose, devotion to the ideal, consecration to duty and noble bearing which mark those most uncommon men of the public spirit; and

WHEREAS, each of us he leaves behind, particularly those in public life, must now strive to uphold the torch he bore so steadfastly, marking each stride by his example; and

WHEREAS, the loss of Keen Johnson leaves all Kentuckians proud of the appellation poorer in spirit, made humbler by his reflections but wiser by his image;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That when the House of Representatives adjourns on Monday, February 9, 1970, it does so in honor, memory and tribute to Governor Keen Johnson.

Section 2. That the House of Representatives extends its sincere and heartfelt sympathy to the family of Governor Johnson.

Agreed.

Representative Wells moved that a roll call be taken to show additional co-sponsors of **HR 47.** Agreed.

The additional co-sponsors of **HR 47** are as follows:

Representatives—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 420, HB 421.**

Counties and Special Districts: **HB 419.**

Education: **SB 168.**

Elections and Constitutional Amendments: **SB 77.**

Health and Welfare: **HB 415.**

Judiciary: **HB 418, SB 108, SB 140, SB 147, SB 151, SB 179.**

Public Utilities and Transportation: **HB 416, HB 417.**

State Government: **SB 115, SB 132, SB 146.**

The Committee on Rules reported **HB 178, HB 255** with Committee Amendment attached thereto, **HB 256, HB 300, HB 327** with Committee Amendment attached thereto and **HR 36** have been posted for passage in Orders of the Day, February 10, 1970.

The Committee on Rules referred **HB 64** and **HB 247** to the Committee on Appropriations and Revenue.

The Committee on Rules returned **HB 177, HB 225** and **HB 297** to the Committee on Labor and Industry, with the request that no more than one bill on the subject of Sunday closing be reported for further consideration of the Committee on Rules.

Representative McBrayer moved that **HB 391** be transferred from the Committee on Business Organizations and Professions to the Committee on State Government. Agreed.

Orders of the Day

HB 139 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative King moved the adoption of the following Amendment to **HB 139:**

Amend printed copy of House Bill 139 on page 1, line 4, by: striking "230" and substituting therefor "203"

Agreed.

On the roll call the vote was yeas 75—Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Haney, John O. Hardin, Head, Hinkle, Isler, Keene, Kessinger, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Osborne, Parish, Paxton, Peak, Pollitte, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Siemens, Simmons, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 13—DeMarcus, Freeman, Graves, L. Hardin, Holloway, Huff, Hughes, Kenton, Nett, Prather, Sharpe, Stuart, West.

HB 139 as amended was passed and the title agreed to.

Representative King moved that the vote by which **HB 139** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 34 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 76—Alexander, Arnett, Baker, Blandford, Bleemel, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Holloway, Huff, Hughes, Keene, Keith, Kenton, Kessinger, Knuckles, Lewis, Louden, McBrayer, McBride, McCann, Massey, May, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh,

Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 7—Blume, Blythe, King, Lovins, Priddy, Siemens, Yocom.

HB 34 was passed and the title agreed to.

Representative May moved that the vote by which **HB 34** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative J. O. Hardin moved that consideration of **HB 102, HB 159** and **HB 192** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 208 taken from Orders of the Day and ordered read at length for the third time. Representative J. O. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 92—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 0.

HB 208 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 208** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 276, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read

by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mitchell moved the adoption of the Committee Amendment to **HB 276.** Agreed.

On the roll call the vote was yeas 91—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 276 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 276** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 39 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative Holloway moved the adoption of **HR 39.** Agreed.

HR 39, A RESOLUTION requesting the appointment of an Educational Innovation Task Force.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That it is the sense of the House of Representatives that the State Board of Education should appoint a State Task Force on Education Innovation to make a thorough study of the possibilities for educational innovations and reform in the public school system of Kentucky and to make recommendations to the

State Board of Education, to the Superintendent of Public Instruction, to the Governor and to the members of the General Assembly. The concerns of such a Task Force should include, but not be limited to, year-round school, utilization of public school resources in the preparation of teachers, differentiated staffing and differentiated salaries, open-campus concept, minicourses, liberalization of textbook laws, use of teacher prepared texts, model centers for student teachers and interns, redefinition of school day and school attendance, substitution for the Carnegie Unit, and innovation research, and information centers. The Task Force should make its report including recommendations not later than July 1, 1971.

HR 40 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative Curlin moved the adoption of **HR 40.**

HR 40, A RESOLUTION honoring the Boy Scouts of America.

WHEREAS, the Boy Scout movement was begun in England by Sir Robert Baden-Powell; and

WHEREAS, while visiting England, Chicago publisher William D. Boyce met Sir Robert and was inspired by the success of the movement in that country; and

WHEREAS, upon his return to the United States Mr. Boyce led the effort which culminated in the incorporation of the Boy Scouts of America on February 8, 1910; and

WHEREAS, the national Boy Scout program has materially contributed to the development of the qualities of self-sufficiency and leadership in American youth; and

WHEREAS, the national success of the Boy Scouts of America has been recognized by the President of the United States who receives from twelve outstanding Scouts representing the twelve Scout Regions in this country an annual report of the activities and the service of millions of Boy Scouts during that year; and

WHEREAS, the Boy Scout program in Kentucky stands as a fine example of the contributions which concerned volunteer adults make in the development of high ideals in young men; and

WHEREAS, Kentucky has several times been honored by having her sons selected as participants in the annual report to the President; and

WHEREAS, the Kentucky Scout program has provided leaders of the Commonwealth in every phase of her activities;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the week of February 7-13, 1970, is declared to be Boy Scout Week in the Commonwealth, in honor and in observance of the 60th anniversary of the founding of the Boy Scouts of America.

Section 2. That the clerk of the House is directed to send attested copies of this resolution to: Mr. Willis R. Snyder, Scout Executive, Audubon Area Council, B.S.A., Box 280, 330 Allen Street, Owensboro, Kentucky 42302; Mr. Perry S. S. Jackson, Scout Executive, Blue Grass Council, B.S.A., 975 Liberty Road, Lexington, Kentucky 40505; Mr. Richard H. Allyn, Scout Executive, Four Rivers Council, B.S.A., 1501 Broadway, Paducah, Kentucky 42001; Mr. F. Marvin Barber, Scout Executive, Lonesome Pine Council, B.S.A., Main Street, Pikeville, Kentucky 41501; and Mr. Halsey D. Cory, Jr., Scout Executive, Old Kentucky Home Council, B.S.A., Box 20168 Standiford Station, Louisville, Kentucky 40221.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HR 40 was adopted and the title agreed to.

HB 114 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 83—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 114 was passed and the title agreed to.

Representative Ruh moved that the vote by which **HB 114** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 185 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 81—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kleier, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens,

Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 1—King.

HB 185 was passed and the title agreed to.

Representative Swinford moved that the vote by which **HB 185** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 44 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative McBrayer moved the adoption of **HR 44.**

HR 44, A RESOLUTION commending United States Astronauts.

WHEREAS, the National Aeronautics and Space Administration authored the first manned space flight to the moon; and

WHEREAS, United States Astronauts have indicated the depth of their feeling on participating in such a flight by communicating passages from the Bible to the earth from outer space; and

WHEREAS, the individual exercise of religious freedom and of free speech are both guaranteed and protected by the First Amendment to the Constitution of the United States; and

WHEREAS, at this time in the history of man, when one man's words may be communicated immediately to millions of people, it is critically important that the free exercise of these rights be rigorously protected, however unpopular;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this House condemns any who would censor communication between men on earth and men in space to satisfy narrow prejudices.

Section 2. That this House continues to believe that "In God We Trust," and applauds the communication of these passages of such deep meaning and relevance to millions around the world.

Section 3. That this House encourages future Astronauts to "keep the faith" by the exercise of those rights, free from restriction by government or by private pressure groups.

Section 4. The Clerk of the House is directed to send an attested copy of this resolution to Mr. Thomas O. Paine, Administrator, National Aeronautics and Space Administration, Washington, D. C. 20546.

On the roll call the vote was yeas 90—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Carter, Chapman, Clapp, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Yocom. Nays 0.

HR 44 was adopted and the title agreed to.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Appropriations and Revenue: **HB 347.** (Room 402, February 10, 1970, on adjournment)

Labor and Industry: **HB 6, HB 46, HB 91, HB 163, HB 172, HB 275, HB 180.** (Room 401, February 10, 1970, 9:30 a.m.)

Judiciary: **HB 125.** (Room 404, February 10, 1970, on adjournment)

Counties and Special Districts: **HB 290, HB 295, HB 220, HB 65, HB 132, HB 157.** (Room 401, February 10, 1970, on adjournment)

Elections and Constitutional Amendments: **HB 269, HB 270, HB 280, HB 282, HB 284, HB 291, HB 366.** (Room 402, February 10, 1970, 10:45 a.m.)

Banking and Insurance: **HB 395.** (February 10, 1970, 9:30 a.m.)

State Government: **HR 32, SCR 14, HB 239, HB 240, HB 293.** (Room 401, February 10, 1970, 10:45 a.m.)

Health and Welfare: **HB 250, HB 251, HB 266, HB 124.** (Room 401, February 11, 1970, 10:00 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Health and Welfare: **HB 33.**

Representative Conn moved that the Rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 427, by Representative Conn: AN ACT relating to the sale of alcoholic beverages.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Tuesday, February 10, 1970.

On the roll call the vote was yeas 60—Alexander, Allen, Baker, Blandford, Blume, Blythe, Hershel Brown, Carter, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keith, Kenton, Kidd, Kleier, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mitchell, Murphy, Nett, Osborne, Parish, Peak, Pollitte, Prather, Priddy, Rattliff, T. P. Reynolds, Rickert, Salyers, Sharpe, Simmons, Swinford, West, Wheeler, Glenn White, Wible, Wright, Wyatt. Nays 8—Kessinger, Ray, Reed, Ruh, Schmidt, Siemens, Van Horn, Yocom.

The motion to adjourn was adopted.

TUESDAY, FEBRUARY 10, 1970

TWENTY-NINTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Chester Pike, First Church of the Nazarene, Frankfort.

The roll was called. All present except Representatives Lindsay, McGill and W. J. Reynolds.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 9, 1970, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SB 51** and **SR 41.**

Introduction of Bills and Resolutions

HB 428, by Representative Isler: AN ACT relating to the use of sodium flouride in public water supplies.

HB 429, by Representatives J. O. Hardin, DeMarcus, Bruce, Knuckles, H. Brown, Bleemel, Osborne, Freeman, Clapp, Ruh, Massey, J. Davis, Schmidt, Huff, Sharpe, West and Pollitte: AN ACT relating to the Public Assistance Program of the State of Kentucky.

HB 430, by Representative Wible: AN ACT relating to the satisfaction of fines of prisoners.

HB 431, by Representative Yocom: AN ACT relating to liability of motor vehicle owner.

HB 432, by Representative Freeman: AN ACT relating to financial transactions.

HB 433, by Representative Ray: AN ACT relating to arbitration and to make uniform the law with reference thereto.

HB 434, by Representative Curlin: AN ACT relating to securities.

HB 435, by Representatives Curlin and Massey: AN ACT relating to annexation of territory by third-class cities.

HB 436, by Representatives Huff and J. E. White: AN ACT relating to public assistance.

HB 437, by Representative McBrayer: AN ACT relating to business and consumer protection.

HB 438, by Representative J. E. White: AN ACT relating to judicial districts.

HB 439, by Representative McBrayer: AN ACT relating to unsolicited credit cards and unsolicited merchandise.

HB 440, by Representative Pollitte: AN ACT relating to fish and wildlife resources.

HJR 48, by Representatives Arnett, Swinford, Hinkle and Wenz: A JOINT RESOLUTION directing the Legislative Research Commission to do a comprehensive study of the Falmouth Reservoir project.

HR 49, by Representatives Pollitte and Freeman: A RESOLUTION relating to the Martin's Fork Reservoir.

Report of Committees

The Committee on Banking and Insurance reported **HB 141,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 141, AN ACT relating to assessment or cooperative insurance other than life.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 299 of the Kentucky Revised Statutes is created to read as follows:

Any company operating under the provisions of KRS 299.310 et seq. may become a mutual insurer as defined in Chapter 304 of the Kentucky Revised Statutes upon the approval of such change by two-thirds of the authorized vote of the membership of the company, such authorized vote to be determined by the provisions of KRS 299.350; and such vote to be at a regular annual meeting of the membership of the company, notice of which meeting shall have been given to the membership in writing at least thirty days in advance, setting forth the fact that a vote upon such conversion shall be taken at said meeting. In the event of such conversion of a company, the effective date of the conversion shall be fixed by resolution of the membership, and all policies in force as of the effective date of conversion shall remain in force unless sooner cancelled until the next regular assessment thereon or until one year after the effective date of conversion, whichever is earlier. All policies written after the effective date of conversion in all respects shall be in conformity with the provisions of Chapter 304 of the Kentucky Revised Statutes. The plan of conversion must be submitted to and approved by the Commissioner before it becomes effective.

The Committee Amendment to **HB 141** is as follows:

Amend printed copy of House Bill 141 on page 2, line 9, by: inserting the words "of Insurance" after the word Commissioner.

The Committee on State Government reported **HB 42** without expression of opinion.

The Committee on State Government reported **HB 240, HB 239, HB 293, HB 71** with Committee Amendment attached thereto, **SR 14** and **HR 32** with Committee Amendment attached thereto with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 240, AN ACT recognizing a Division of Electronic Data Processing as established in the Department of Finance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 42 of the Kentucky Revised Statutes is created to read as follows:

There is hereby recognized as established in the Department of Finance, a Division of Electronic Data Processing which shall promulgate and implement such data processing programs for the Department of Finance and such other subdivisions of the state government as the Commissioner of Finance may direct, and shall perform the functions of the Department of Finance in the coordination and supervision of data processing, computers and government information centers throughout the state government. The division shall be headed by a director appointed by the Commissioner of Finance, who shall be qualified by both academic training and experience in all phases of the operation and use of electronic computers and related data processing equipment and systems.

HB 239, AN ACT recognizing the Division of Fiscal Management in the Department of Finance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 42 of the Kentucky Revised Statutes is created to read as follows:

There is recognized as established in the Department of Finance, a Division of Fiscal Management. The division shall be headed by a Director who shall be a person qualified by reason of academic training or experience in debt management and the issuance and sale of state and municipal bonds; the director shall be appointed by the Commissioner of Finance. The division shall perform the administrative functions of the Department of Finance in the issuance and sale of revenue bonds issued by or with the approval of the State Property and Buildings Commission as provided in KRS 56.440 to 56.580 and shall provide such advice and administrative assistance as the Governor, the Attorney General or the Commissioner of Finance may require with respect to the acquisition and development of public projects through the issuance and sale of revenue bonds as provided in KRS Chapter 58.

HB 293, AN ACT to ratify the Interstate Compact on Air Pollution.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 224 of the Kentucky Revised Statutes is created to read as follows:

The "Interstate Compact on air pollution" is hereby ratified, enacted into law, and entered into by the Commonwealth of Kentucky as a party thereto with the State of Ohio as follows:

INTERSTATE COMPACT ON AIR POLLUTION
THE CONTRACTING STATES SOLEMNLY AGREE THAT:

ARTICLE I

The party states to this compact hereby provide for the control of the interstate movement of air pollutants through the establishment of an interstate agency with powers to prevent, abate, and control interstate air pollution, and where appropriate, develop and implement ambient air quality standards in any designated air quality control region common to the patry states.

Each of the party states pledges to the other faithful cooperation in the control of air pollution which originates in one state and endangers human health or welfare, animal or plant life, or property, or which interferes with the enjoyment of life or property, in the other state.

The party states recognize that no single standard for outdoor atmosphere is applicable to all areas within the party states due to such variables as population densities, topographic and climatic characteristics and existing or projected land use and economic development. The guiding principle of this compact is that air pollution shall not endanger human health or welfare, animal or plant life, or property, or interfere with the enjoyment of life or property.

ARTICLE II

As used in this compact "Air Pollution" means and shall be limited to the discharge into the air by the act of man of sub-

stances (liquid, solid, gaseous, organic or inorganic) in a locality, manner and amount as to endanger human health or welfare, animal or plant life, or property, or which would interfere with the enjoyment of life or property.

ARTICLE III

The party states hereby create the Ohio-Kentucky Interstate Air Pollution Control Commission, hereafter called "the commission."

The commission shall consist of five commissioners from each party state, each of whom shall be a citizen of the state he represents. In addition, the chairman of the commission shall request the President of the United States to designate a federal representative to the commission who shall serve as an ex officio member of the commission, but without vote except as hereinafter provided. The commissioners from each party state shall be chosen by the Governor of such state in accordance with the laws of such state, as follows:

Two of the members from each state shall be chosen from appropriate state agencies, one of whom is the officer responsible for air pollution control, and one of whom is the director of health. The Governor of each party state, or his designee, shall be the third member of the commission. Two other members shall be chosen, one of whom is experienced in the field of municipal government and one of whom is experienced in the field of industrial activities. In choosing said two other members, the governor shall provide for adequate representation of appropriate local interests in any air quality control region designated by the Secretary of Health, Education and Welfare, pursuant to the provisions of section 107 (A) (2) of the "Air Quality Act of 1967," 81 Stat. 490, 42 U.S.C.A. 1857c-2.

The governor of each state, unless he appoints a designee, shall serve during his term of office, and if the governor of any state appoints a designee, such designee shall serve at the will of the governor appointing him until the expiration of the governor's term. The commissioners who shall be appointed by virtue of the offices which they hold shall serve during their continuance in office. The term of the other two commissioners shall be five years. However, the commissioner appointed by reason of his

experience in the field of municipal government and the commissioner appointed by reason of his experience in the field of industrial activities shall be appointed, one for an initial term of one year and the other for an initial term of two years. Upon the expiration of each such initial term, commissioners appointed to fill any vacancy shall be appointed for a term of five years.

Vacancies on the commission shall be filled for the unexpired term in the same manner as appointments to full terms.

Each state shall have but one vote and every decision, authorization or other action shall require the majority vote of the party states. The vote of each state shall be determined by a majority of the commissioners from each party state present at the meeting where such vote is to be cast. In the event of a tie or stalemate, the federal representative to the commission shall cast the deciding vote.

The commission may sue and be sued, and shall have a seal.

The commission shall elect annually, from among its members, a chairman and vice-chairman. The commission shall appoint an executive director who shall act as secretary, and who, together with such other commission personnel as the commission may determine, shall be bonded in such amount or amounts as the commission may require.

Notwithstanding the civil service, personnel, or other merit systems laws of any of the party states, the commission shall appoint, remove or discharge, and fix the compensation of such personnel as may be necessary for the performance of the commission's functions. To the extent practicable, terms and conditions of employment for members of the staff of the commission shall be similar to those pertaining to comparable employees of the individual party states.

The commission may establish and maintain, independently or in conjunction with one or more of the party states, a suitable retirement system for its employees. Employees of the commission shall be eligible for social security coverage in respect to old-age and survivors insurance: provided, that the commission takes such steps as may be necessary pursuant to federal law to participate in such program of insurance as a governmental agency or unit. The commission may establish and maintain

or participate in such additional programs of employee benefits as may be appropriate to afford employees of the commission terms and conditions of employment similar to those enjoyed by employees of the party states generally.

The commission may accept or contract for the services of personnel and other services or materials from any state, the United States or any subdivision or agency of either, from any interstate agency or from any institution, person, firm or corporation.

The commission may accept for any of its purposes and functions under this compact any and all donations, and grants of money, equipment, supplies, materials, and services, conditional or otherwise from the United States or any agency thereof, from any state or any subdivision or agency thereof, or from any institution, person, firm, or corporation, and may receive, utilize, and dispose of the same. The identity of any donor, the amount and character of any assistance, and the conditions, if any, attached thereto shall be set forth in the annual report of the commission.

The commission may establish and maintain such facilities as may be necessary for the transacting of its business. The commission may acquire, hold, and convey real and personal property and any interest therein.

The commission shall have power to formulate and adopt rules and regulations and perform any act which it may find necessary to carry out the provisions of this compact, and to amend such rules and regulations. All such rules and regulations shall be filed in the office of the commission for public inspection and copies of such rules and regulations shall be filed in the office in each party state in which rules and regulations of state agencies are filed and shall thereafter be made available to interested persons upon request.

The commission annually shall make to the governor and legislature of each party state a report covering the activities of the commission for the preceding year, and embodying such recommendations as may have been adopted by the commission. The commission may issue such additional reports as it may deem desirable. These reports shall be available for public examination.

The commission shall have the authority to collect and disseminate information relating to its functions under, and the purpose of, this compact.

ARTICLE IV

The commission may, whenever it finds air pollution which originates within the area of its jurisdiction in one of the party states and has an adverse effect in the other party state, make a report recommending measures for the prevention, abatement, or control of any such air pollution. Copies of such report shall be furnished to all existing state and local air pollution control agencies with jurisdiction over the source or sources of air pollution identified in the report. In preparing any such report, the commission may confer with any appropriate national, regional or local planning body, and any governmental agency authorized to deal with matters relating to air pollution problems and may conduct such hearings and investigations as it may deem appropriate. The commission may consult with and advise the states and local governments, corporations, persons, or other entities with regard to the adoption of programs and the installation of equipment and works for the prevention, abatement, or control of air pollution.

Without restricting the generality of the powers and duties of the commission elsewhere herein provided, the commission shall:

(a) Develop and implement ambient air quality standards and, in accordance with such data as are available on the latest technology and economic feasibility of complying therewith, emission standards in order to prevent and control air pollution located within the area over which it has jurisdiction.

(b) Revise and modify such standards to reflect improvements in knowledge of air pollution and its prevention and control and in accordance with such data as are available on the latest technology and economic feasibility of complying with such standards.

(c) Engage in action which would insure the use of the latest technologically and economically feasible and effective techniques or devices for the prevention and control of air pollu-

tion in new installations proposed for construction in its area of jurisdiction.

(d) Undertake and carry on air monitoring activities as a continuing activity.

(e) Have authority to enter at reasonable times upon any private or public property (excluding any federal building, installation or other property) for the purpose of investigating the source, type, character and amount of any air pollutant or emission alleged to violate the standards at any time established by the commission pursuant to the provisions of this compact: provided, however, that no such investigations shall extend to information relating to secret processes or methods of manufacturing or production.

(f) Have authority, upon reasonable evidence of a violation of the standards established by the commission pursuant to the provisions of this compact, which violation presents an imminent and substantial hazard to public health, to issue public notice of such hazard and the cause thereof, by any and all appropriate means, and to issue a cease and desist order or such other reasonable order as may be deemed necessary by the commission to cause such violation to be discontinued, at such time and upon such conditions as the commission may determine, and to enforce such order by appropriate proceedings, including but not limited to injunctive proceedings in any court of competent jurisdiction. And, further, the commission is hereby empowered to institute proceedings in any court of competent jurisdiction to enjoin any air pollution or emission which presents such an imminent and serious hazard to public health as to create an emergency.

Before any report of the commission which specifically identifies a particular industrial or other installation, structure, or facility as a source of air pollution becomes final, the commission shall give the owner or operator of such installation, structure, or facility notice by certified mail of the anticipated adoption of such report and shall afford the owner or operator of the installation, structure, or facility not less than ten days after the mailing of such notice to file with the commission its written objections thereto. If no such objections are filed with the commission within such specified period, the report shall become

final. If such objections are filed with the commission within such specified period, the commission shall afford such owner or operator not less than ten days from its receipt of such objections to discuss with the commission the findings, conclusions, and recommendations of the report before it is finally adopted by the commission.

Within a reasonable time, as determined by the commission, after the commission furnishes a report to the appropriate existing state and local air pollution control agencies pursuant to this article and, if the recommendations made in such report for the prevention, abatement, or control of air pollution from a specific source or sources have not been implemented, or if the appropriate state or local air pollution control agencies have not taken sufficient action to prevent, abate or control the air pollution, the commission may, after a duly conducted and constituted hearing, on due notice issue an order or orders upon any municipality, corporation, person, or other entity causing or contributing to a violation of ambient air quality standards. At any such hearing evidence may be received and a finding made on whether, in fact, a violation of the commission's air quality standards exists and on the sources of such pollution. Any such order or orders may prescribe a timetable for the abatement or control of the air pollution involved. Any such order shall become final and binding unless a petition for review of the same shall be filed and prosecuted pursuant to the provisions of article five of this compact.

In a party state, any court of general jurisdiction in any county in which the air pollution originates or any United States district court for the district in which such pollution originates shall entertain and determine any action or proceeding brought by the commission to enforce an order against any municipality, corporation, person, or other entity domiciled or located within such state and whose discharge of air pollution takes place within or adjoining such state, or against any employee, department, or subdivision of such municipality, corporation, person or other entity, and shall entertain and determine any petition for review pursuant to the provisions of article five of this compact.

ARTICLE V

All hearings held by the commission shall be open to the public. At any hearing held pursuant to article four of this compact the party states, any agencies thereof, and any affected person, corporation, municipality or other entity shall be entitled to appear in person or by representative, with or without counsel, and may make oral or written argument, offer testimony, or take any combination of such actions. All testimony taken before the commission shall be under oath and recorded in a written transcript. The transcript so recorded shall be made available to any member of the public or to any participant in such hearing upon payment of reasonable charges as fixed by the commission. No information relating to secret processes or methods of manufacture or production shall be disclosed at any public hearing or otherwise and all such information shall be kept confidential.

All hearings shall be had before one or more members of the commission, or before an officer or employee of the commission expressly designated to act as a hearing officer.

Any party state or person aggrieved by any order made by the commission shall be entitled to a judicial review thereof. Such review may be had by filing a verified petition in any of the appropriate courts referred to in article four, setting out such order and alleging specifically that said order is:

(a) Arbitrary, capricious, an abuse of discretion or otherwise not in accordance with law; or

(b) Contrary to constitutional right, power, privilege or immunity; or

(c) In excess of authority or jurisdiction conferred by this compact or statutes in implementation hereof; or

(d) Without observance of procedure required by law; or

(e) Not within the purposes of this compact; or

(f) Unsupported by the weight of the evidence.

The petition for review shall be filed within thirty-five days after receipt of written notice that such order has been issued. Written notice of the filing of a petition for review and a copy of said petition shall be personally served upon the commission. Any party or person filing a petition for review shall, within

fifteen days thereafter, secure from the commission a certified copy of the transcript of any hearing or hearings held in connection with the issuance of the order, review of which is sought, and shall file the same with the clerk of the court in which the action or proceeding for review is pending. An extension of time in which to file a transcript shall be granted by said court in which such action or proceeding for review is pending for good cause shown. Inability to obtain a transcript within the specified time shall be good cause. Failure to file a transcript within the period of fifteen days, or to secure an extension of time therefor, shall be cause for the dismissal of the petition for review by the court or on petition of any party of record to the original action or proceeding. Where more than one person may be aggrieved by the order, only one proceeding for review may be had and the court in which a petition for review is first properly filed shall have jurisdiction.

The court may, for good cause shown, admit and consider additional evidence bearing upon the issue or issues before it.

No review of a commission order shall be had except in accordance with the provisions of this compact.

ARTICLE VI

The commission may establish one or more advisory and technical committees composed of such as the following: private citizens, expert and lay personnel, representatives of industry, labor, commerce, agriculture, civic associations and officials of local, state and federal government, as it may determine, and may cooperate with and use the services of any such committee and the organizations which they represent in furthering any of its activities under this compact.

ARTICLE VII

Nothing in this compact shall be construed to:

(a) Limit or otherwise affect the powers of any party state or any of its subdivisions to enact and enforce laws or ordinances for the prevention, abatement or control of air pollution within their respective borders.

(b) Limit or otherwise affect the powers of any party state to enter into a compact or compacts with other states for the prevention, abatement or control of interstate air pollution.

(c) Prevent or restrict any party state or any political subdivision thereof from adopting standards to achieve a higher level of ambient air quality than those adopted by the commission for the area covered by the commission's jurisdiction.

(d) Authorize any party state or any political subdivision thereof to adopt standards which will achieve a lower level of ambient air quality than those adopted by the commission for the area covered by the commission's jurisdiction.

ARTICLE VIII

The commission shall submit to the governor or designated officer or officers of each party state a budget of its estimated expenditures for such period as may be required by the laws of that state for presentation to the legislature thereof.

Each of the commission's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party states. Aside from such support as may be available to the commission pursuant to article three, the cost of operating and maintaining the commission shall be borne equally by the party states.

The commission may meet any of its obligations in whole or in part with funds available to it under article three of this compact: provided, that the commission takes specific action setting aside such funds prior to the incurring of any obligation to be met in whole or in part in this manner. Except where the commission makes use of funds available to it under article three, the commission shall not incur any obligations prior to the allotment of funds by the party states adequate to meet the same.

The expenses and any other costs for each member of the commission shall be met by the commission in accordance with such standards and procedures as it may establish in its rules and regulations.

The commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the com-

mission shall be subject to the audit and accounting procedures established under its rules and regulations. However, all receipts and disbursements of funds handled by the commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become a part of the annual report of the commission.

The accounts of the commission shall be open at any reasonable time for inspection by duly constituted officers of the party states and by any persons authorized by the commission.

Nothing contained herein shall be construed to prevent commission compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the commission.

ARTICLE IX

This compact shall become effective when enacted into law by the states of Ohio and Kentucky and approved by the congress of the United States. The compact shall continue in force and remain binding upon each party state until expressly repealed by any party state, but no such repeal shall take effect until one year after the enactment of the statute repealing this compact.

Any order of the commission issued prior to the termination of this compact shall be enforceable thereafter by any party state in the same manner as though this compact were still in force except that any appropriate officer or agency of the enforcing party state may act in the place and stead of the commission.

ARTICLE X

The provisions of this compact shall be reasonably and liberally construed. The provisions of this compact shall be severable and if any phrase, clause, sentence or provision is declared to be contrary to the constitution of any party state or of the United States, or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected.

ARTICLE XI

The present party states hereto, namely, Kentucky and Ohio, hereby agree and consent to the State of Indiana and the State of West Virginia, or either of them, becoming parties to this compact.

Section 2. Section 224.515 of the Kentucky Revised Statutes is amended to read as follows:

Pursuant to Article III of the compact set forth in *Section 1 of this Act,* [KRS 224.510,] the Governor shall appoint three commissioners in addition to the Commissioner of Health and the officer in charge of air pollution control, as members of the interstate air pollution control commission. The commissioners shall promulgate rules and regulations to carry out more effectively the terms of the compact. The commissioners shall cooperate with all departments, agencies, and officers of and in the government of this state and its subdivisions in facilitating the proper administration of the compact and all such departments, agencies, and officers shall cooperate with the commissioners.

Section 3. Section 224.520 of the Kentucky Revised Statutes is amended to read as follows:

Any payments necessary to discharge any financial obligations imposed upon the State of Kentucky by the compact, as provided in *Section 1 of this Act,* [KRS 224.510,] shall be made from the general fund appropriations to the Interstate Air Pollution Control Commission upon presentation to the Department of Finance of itemized vouchers signed by the executive director of the commission.

Section 4. Section 224.510 of the Kentucky Revised Statutes is repealed.

HB 71, AN ACT relating to deadly weapons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 435.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person, not expressly authorized by law, who carries concealed a deadly weapon, other than an ordinary pocket

knife, on or about his person, or any person who sells a deadly weapon, other than an ordinary pocket knife, to a minor, shall be confined in the penitentiary for not less than two nor more than five years.

(2) Sheriffs, constables, marshals, [policemen] and other ministerial officers, when necessary for their protection in the discharge of their official duties; United States mail carriers, when actually engaged in their duties; and agents and messengers of express companies, when necessary for their protection in the discharge of their official duties, may carry concealed deadly weapons on or about their persons.

(3) Policemen, directly employed by state, county or city government, may carry concealed deadly weapons on or about their persons at all times within the Commonwealth of Kentucky.

The Committee Amendment to **HB 71** is as follows:

Amend printed copy of House Bill 71 on page 2, line 7, by: changing the period to a comma and adding the following:

"when authorized to do so by the legislative body employing the officer of any city of the first four classes and any county containing such a city."

SCR 14, A CONCURRENT RESOLUTION requesting and petitioning the South Eastern Conference to change its rules prohibiting the telecasting of Conference members' basketball games and allow the telecasting of home games when those games are sold out, and the telecasting of away games back to the home area.

WHEREAS, the current home season of the University of Kentucky's basketball schedule is completely sold out; and

WHEREAS, this condition has existed for the past five seasons; and

WHEREAS, an ever increasing student population means a decline in the number of people, including these students, who can gain admittance to the home games; and

WHEREAS, because the consistently high caliber of basket-

ball played by the University stimulates enthusiastic interest in the University and the conference; and

WHEREAS, a large audience exists which desires to watch championship basketball;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the South Eastern Conference be requested to allow the telecasting of home basketball games of the University of Kentucky which are sold out, and of away games.

Section 2. That the Clerk of the Senate of the General Assembly of the Commonwealth of Kentucky deliver a copy of this resolution to South Eastern Conference Commissioner Tonto Coleman, University of Kentucky President Dr. Otis Singletary, and University of Kentucky Athletic Director Harry Lancaster.

HR 32, A JOINT RESOLUTION relating to providing maximum permanent office space for members of the General Assembly.

WHEREAS, the office space currently allocated to the General Assembly, including the renovated section on the fourth floor of the Capitol Building, is totally inadequate; and

WHEREAS, the General Assembly cannot properly function under such crowded conditions and cannot efficiently attend to its duties and responsibilities during the regular sessions and interim periods for lack of adequate office space; and

WHEREAS, the General Assembly recognizes the need for permanent offices for members of the legislature; and

WHEREAS, the Commonwealth is currently constructing a twenty-four story office building in the Capitol Plaza; and

WHEREAS, such new facilities should relieve crowded conditions now prevailing in other buildings presently occupied by various state agencies;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Commissioner of Finance is hereby directed to make a feasibility study to determine the maximum space that can be permanently allocated to the General Assembly on the first floor of the New Capitol Annex to provide sufficient space for legislative offices.

Section 2. The Commissioner of Finance shall report his findings and recommendations to the Legislative Research Commission on or before February 20, 1970; the Legislative Research Commission shall report such findings and recommendations to the members of the General Assembly.

The Committee Amendment to **HR 32** is as follows:

Amend printed copy of House Resolution 32 on page 2, line 8, by: deleting after the word "before", the words "February 20, 1970" and inserting in lieu thereof the following:

"March 10, 1970"

The Committee on Elections and Constitutional Amendments reported **HB 284, HB 263, HB 93** and **HB 160** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 284, AN ACT relating to voter registration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 117.735 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any voter of a city of the first class who changes his name, by marriage or otherwise, shall be required to register anew, and the old registration and record of such voter shall be marked "cancelled. Name changed to _____" The old record shall then be placed in the cancelled registrations file and the copies thereof disposed of as provided in KRS 117.875. *The change may be made by the voter either in person or by mailing the proper form, completed and notarized, to the registration authorities.*

(2) When any registered voter in a city of the first class moves from the precinct in which he is registered to a different precinct in the city, he shall make and sign an application to have his registration record transferred to the proper precinct, and deliver the application to the board of registration commissioners.

(3) Every gas, water, electric light and telephone company operating in a city of the first class shall, on the fifth business day of each month, furnish to the board of registration commissioners a certified report containing the names of all persons for whom, during the calendar month immediately preceding, gas, water, electric light or telephone service has been installed, moved to another location or discontinued, with the address at which the services were so installed, removed or discontinued. Such information shall be treated as confidential and shall be used by the board only for the purpose of correcting its records as provided in this section. Every department of the city shall, every Monday, furnish the board with the names and addresses of all persons who have, to the official knowledge of the department, moved during the preceding week.

(4) The board of registration commissioners may, upon the application of any registered voter, or upon the basis of the information received under subsection (3) of this section, or upon the basis of reliable information obtained or furnished from any other source, transfer the registration record of any voter to the precinct where it belongs, but no such transfer shall be made unless notice has been mailed to the voter at the address appearing on the existing registration records, stating that his registration will be transferred, for the reason stated in the notice, unless protest is filed within five days, and the transfer shall not be made until the five-day period has expired. If protest is filed, the board shall investigate the matter and shall take no action until after the protestant has been given an opportunity to be heard.

Section 2. Section 117.640 of the Kentucky Revised Statutes is amended to read as follows:

(1) If any original or copy registration record form, outside of cities of the first class, is lost or destroyed, or becomes in such condition as to render it difficult or unsafe to use, the county

clerk shall cause a new registration record form to be made and executed in such manner as may be necessary, consistent with the provisions of KRS 117.600 to 117.895, the costs to be paid out of the county treasury. If the reregistration of the voters of an entire precinct so becomes necessary, it shall be held in the precinct at the next ensuing primary or general election, in the same manner as the initial registration was made under Chapter 45 of the Acts of 1936. If such reregistration is made necessary by the loss or destruction of registration records through the negligence or willful misconduct of any person, that person shall be liable to the state for the cost of the reregistration, to be recovered in a civil action in the name of the state.

(2) Any voter who changes his name, by marriage or otherwise, shall be required to register anew, and the old registration record of such voter shall be marked "Cancelled. Name changed to _____" The old record shall then be placed in the cancelled registrations file and the copies thereof disposed of as provided in KRS 117.875. *The change may be made by the voter either in person or by mailing the proper form, completed and notarized, to the registration authorities.*

(3) The board shall use the information in the office of the county clerk on marriages, change of name, etc. to make the cancellations authorized by subsection (2) of this section, but shall do so only after a five days notice by mail. If any protest is filed, the board shall hear said protestant after notice by mail of five days.

HB 263, AN ACT relating to the form of ballots in regular elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 118.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in subsections (4), (5) and (6) of this section, the county clerk of each county shall cause to be printed on one ballot the names of all candidates of his jurisdiction who have been properly nominated for any office specified in the ballot and whose nominations have not been withdrawn as

provided in KRS 118.160. *Whenever any of the following offices in single-county districts is to be filled by election, the county clerk shall list the candidates for those offices immediately following the list prescribed by the Secretary of State as provided in subsection (2), in the following order: State Senator, State Representative, County Judge, Commonwealth's Attorney, County Attorney, Circuit Clerk, County Clerk, Sheriff, Jailer, County Commissioner, Property Valuation Administrator, Coroner, Justice of the Peace, and Constable, followed by candidates for offices of districts of less than a full county in an order determined by the county clerk.* All nominations of any party or group of petitioners shall be printed under the title and device designated by them in their certificate or petition, or if none is designated, under some suitable title and device. If the same device for designating candidates is selected by two parties or groups of petitioners it shall be given to the one that first selected it, and the clerk shall select a suitable device for the other.

(2) Except as provided in subsections (4), (5) and (6) of this section, the ballots shall in general conform, as nearly as practicable, to the following plan:

(a) The lists of the candidates of the various parties shall be printed in parallel columns, in such order as the Secretary of State directs, precedence being given to the party that polled the higher number of votes for the head of the ticket in the last preceding election. The device of each party shall be placed at the head of the list of candidates of the party. The device shall not be enclosed in a square, but immediately under the device shall be placed a circle one inch in diameter. Immediately under it shall be placed the name or title of the party ticket, and immediately under the name or title shall be placed the list of candidates of the party, the name of each candidate having immediately on its right a small square large enough to contain the cross mark by which the voter is required to designate his vote. Underneath the name of each candidate shall be left a blank space large enough to contain a written name. If upon any ticket there is no candidate for a designated office, a blank space equal to the space that would be occupied by the name of a candidate for that office shall be left.

(b) At the top of all official ballots to be used in any pri-

mary, general or special election in any county, and separated from it by a perforated line, shall be a stub, containing the consecutive number of the ballot and a space for the name, residence and registration number of the voter, and at the bottom of said ballot there shall be a secondary stub, separated from it by a perforated line, and said secondary stub shall contain the consecutive number of the ballot and a space for the name, residence and registration number of the voter.

(c) On the back shall be printed "Official Ballot," the date of the election and a facsimile of the signature of the clerk who has caused the ballot to be printed. There shall also be printed on the back of the ballot a blank line followed by the word "Clerk" and a blank line followed by the word "Judge."

(d) The ballots shall be bound, with attached stubs, into books, one for each voting precinct. Upon the covers of the books shall be printed the designation of the precinct for which the ballots have been prepared, and on the inside of one of the covers shall be printed the form prescribed in subsection (2) of KRS 118.410.

(3) Whenever a Constitutional amendment or other public measure is proposed to be voted upon by the people, the substance of the measure shall be clearly indicated upon the ballot, with two spaces upon the right, one for votes favoring the measure to be designated by the word "Yes," and one for votes opposing the measure to be designated by the word "No."

(4) When there are offices or public questions that are to be voted for by only a portion of the voters in any precinct, as in the case of city elections where the city wards or election units are not coextensive with the precinct boundaries, the names of the candidates for such offices and such public questions shall be printed on separate ballots, which shall conform as nearly as practicable with the provisions of this section. Separate ballots shall also be printed for public questions when specifically required by the law providing for the submission of the questions.

(5) The ballots in elections for members of boards of education shall be prepared as provided in KRS 160.220 and 160.230.

(6) The names of candidates of the several political parties and organizations for electors of President and Vice President of

the United States shall not be printed on the ballot, but in lieu thereof, immediately under the party name or device of each party in the column of its candidates on the official ballot, there shall be printed within a bracket the name of the candidate for President and the name of the candidate for Vice President of such party, with a square to the right of the bracket. The placing of a cross within the square to the right of the bracket enclosing the names of candidates for President and Vice President, or in the circle at the head of the column of such party, shall not be deemed and taken as a direct vote for such candidates for President and Vice President, but shall only be deemed and taken to be a vote for the entire list or set of electors chosen by that political party as provided in KRS 118.090.

HB 93, AN ACT relating to political parties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS 119.010 to 119.020 is created to read as follows:

A political party may adopt rules to cause candidates for party positions to be placed on ballots at regular primary elections held in even-numbered years. Any election so held shall not be subject to the provisions of KRS Chapter 123 or the provisions relating to advertising requirements contained in KRS 424.290.

HB 160, AN ACT relating to vacancies in candidacies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 118.200 of the Kentucky Revised Statutes is amended to read as follows:

In case of the death, removal or resignation of any candidate after the ballots are printed and before the election, the *governing authority* [chairman] of the state, district or county political *party* [organization] of which the candidate was a member may make a nomination to fill the vacancy, and provide the election clerk of each precinct in which the candidate is to be voted for with a number of pasters containing only the name of the candidate, at least equal to the number of the ballots provided each

precinct. No pasters shall be given to or received by any person other than the clerk, and the clerk shall put one of the pasters, in a careful and proper manner in the proper place on each ballot, before he signs his name thereon.

The Committee on Banking and Insurance reported **HB 184**, with Committee Amendment attached thereto, **HB 307** and **HB 140** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 184, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

This Act may be cited as the Kentucky Insurance Guaranty Association Act.

Section 2. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

The purpose of this Act is to provide a mechanism for the payment of covered claims under certain insurance policies to avoid excessive delay in payment and to avoid financial loss to claimants or policyholders because of the insolvency of an insurer, to assist in the detection and prevention of insurer insolvencies, and to provide an association to assess the cost of such protection among insurers.

Section 3. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

This Act shall apply to all kinds of direct insurance, except life, title, surety, disability, credit, mortgage guaranty, and ocean marine insurance.

Section 4. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

This Act shall be liberally construed to effect the purpose under Section 2 which shall constitute an aid and guide to interpretation.

Section 5. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context otherwise requires:

(1) "Association" means the Kentucky Insurance Guaranty Association created under Section 6.

(2) "Commissioner" means the Commissioner of Insurance of Kentucky.

(3) "Covered claim" means an unpaid claim, including one for unearned premiums, which arises out of and is within the coverage of an insurance policy to which this Act applies issued by an insurer, if such insurer becomes an insolvent insurer after the effective date of this Act and (a) the claimant or insured is a resident of this state at the time of the insured event; or (b) the property from which the claim arises is permanently located in this state. "Covered claim" shall not include any amount due any reinsurer, insurer, insurance pool, or underwriting association, as subrogation recoveries or otherwise.

(4) "Insolvent Insurer" means (a) an insurer authorized to transact insurance in this state either at the time the policy was issued or when the insured event occurred and (b) determined to be insolvent by a court of competent jurisdiction.

(5) "Member insurer" means any person who (a) writes any kind of insurance to which this Act applies under Section 3, including the exchange of reciprocal or inter-insurance contracts, and (b) is licensed to transact insurance in this state.

(6) "Net direct written premiums" means direct gross premiums written in this state on insurance policies to which this Act applies, less return premiums thereon and dividends paid or credited to policyholders on such direct business. "Net direct written premiums" does not include premiums on contracts between insurers or reinsurers.

(7) "Person" means any individual, corporation, partnership, association or voluntary organization.

Section 6. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

There is created a nonprofit unincorporated legal entity to

be known as the Kentucky Insurance Guaranty Association. All insurers defined as member insurers in Section 5 shall be and remain members of the Association as a condition of their authority to transact insurance in this state. The Association shall perform its functions under a plan of operation established and approved under Section 9 and shall exercise its powers through a board of directors established under Section 7.

Section 7. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

(1) The board of directors of the Association shall consist of not less than five nor more than nine persons serving terms as established in the plan of operation. The members of the board shall be selected by member insurers subject to the approval of the commissioner. Vacancies on the board shall be filled for the remaining period of the term in the same manner as initial appointments. If no members are selected within sixty days after the effective date of this Act, the commissioner may appoint the initial members of the board of directors.

(2) In approving selections to the board, the commissioner shall consider among other things whether all member insurers are fairly represented.

(3) Members of the board may be reimbursed from the assets of the Association for expenses incurred by them as members of the board of directors.

Section 8. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

(1) The Association shall:

(a) Be obligated to the extent of the covered claims existing prior to the determination of insolvency and arising within thirty days after the determination of insolvency, or before the policy expiration date if less than thirty days after the determination, or before the insured replaces the policy or on request effects cancellation, if he does so within thirty days of the determination, but such obligation shall include only that amount of each covered claim which is in excess of $100 and is less than $300,000, except that the Association shall pay the full amount of any covered claim arising out of a workmen's compensation policy. In no event shall the Association be obligated to a policy-

holder or claimant in an amount in excess of the face amount of the policy from which the claim arises.

(b) Be deemed the insurer to the extent of its obligation on the covered claims and to such extent shall have all rights, duties, and obligations of the insolvent insurer as if the insurer had not become insolvent.

(c) Assess insurers amounts necessary to pay the obligations of the Association under paragraph (a) subsequent to an insolvency, the expenses of handling covered claims subsequent to an insolvency, and the cost of examinations under Section 13 and other expenses authorized by this Act. The assessments of each member insurer shall be in the proportion that the net direct written premiums of the member insurer for the preceding calendar year bears to the net direct written premiums of all member insurers for the preceding calendar year. Each member insurer shall be notified of the assessment not later than thirty days before it is due. No member insurer may be assessed in any year an amount greater than two precent of that member insurer's net direct written premiums for the preceding calendar year. If the maximum assesment, together with the other assets of the Association, does not provide in any one year an amount sufficient to make all necessary payments, the funds available shall be pro-rated and the unpaid portion shall be paid as soon thereafter as funds become available. The Association may exempt or defer, in whole or in part, the assessment of any member insurer, if the assessment would cause the member insurer's financial statement to reflect amounts of capital or surplus less than the minimum amounts required for a certificate of authority by any jurisdiction in which the member insurer is authorized to transact insurance. Each member insurer may set off against any assessment, authorized payments made on covered claims and expenses incurred in the payment of such claims by the member insurer.

(d) Investigate claims brought against the Association and adjust, compromise, settle, and pay covered claims to the extent of the Association's obligation and deny all other claims.

(e) Notify such persons as the commissioner directs under Section 10 (2) (a).

(f) Handle claims through its employes or through one or

more insurers or other persons designated as servicing facilities. Designation of a servicing facility is subject to the approval of the commissioner, but such designation may be declined by a member insurer.

(g) Reimburse each servicing facility for obligations of the Association paid by the facility and for expenses incurred by the facility while handling claims on behalf of the Association and shall pay the other expenses of the Association authorized by this Act.

(2) The Association may:

(a) Appear in, defend, and appeal any action on a claim brought against the Association.

(b) Employ or retain such persons as are necessary to handle claims and perform other duties of the Association.

(c) Borrow funds necessary to effect the purposes of this Act in accord with the plan of operation.

(d) Sue or be sued.

(e) Negotiate and become a party to such contracts as are necessary to carry out the purpose of this Act.

(f) Perform such other acts as are necessary or proper to effectuate the purpose of this Act.

(g) Refund to the member insurers in proportion to the contribution of each member insurer to the Association that amount by which the assets of the Association exceed the liabilities, if, at the end of any calendar year, the board of directors finds that the assets of the Association exceed the liabilities of the Association as estimated by the board of directors for the coming year.

Section 9. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

(1) (a) The Association shall submit to the commissioner a plan of operation and any amendments thereto necessary or suitable to assure the fair, reasonable, and equitable administration of the Association. The plan of operation and any amendments thereto shall become effective upon approval in writing by the commissioner.

(b) If the Association fails to submit a suitable plan of operation within ninety days following the effective date of this Act or if at any time thereafter the Association fails to submit suitable amendments to the plan, the commissioner shall, after notice and hearing, adopt and promulgate such reasonable rules as are necessary or advisable to effectuate the provisions of this Act. Such rules shall continue in force until modified by the commissioner or superseded by a plan submitted by the Association and approved by the commissioner.

(2) All member insurers shall comply with the plan of operation.

(3) The plan of operation shall:

(a) Establish the procedures whereby all the powers and duties of the Association under Section 8 will be performed.

(b) Establish procedures for handling assets of the Association.

(c) Establish the amount and method of reimbursing members of the board of directors under Section 7.

(d) Establish procedures by which claims may be filed with the Association and establish acceptable forms of proof of covered claims. Notice of claims to the receiver or liquidator of the insolvent insurer shall be deemed notice to the Association or its agent and a list of such claims shall be periodically submitted to the Association or similar organization in another state by the receiver or liquidator.

(e) Establish regular places and times for meetings of the board of directors.

(f) Establish procedures for records to be kept of all financial transactions of the Association, its agents, and the board of directors.

(g) Provide that any member insurer aggrieved by any final action or decision of the Association may appeal to the commissioner within thirty days after the action or decision.

(h) Establish the procedures whereby selections for the board of directors will be submitted to the commissioner.

(i) Contain additional provisions necessary or proper for the execution of the powers and duties of the Association.

(4) The plan of operation may provide that any or all powers and duties of the Association, except those under Sections 8 (1) (c) and 8 (2) (c), are delegated to a corporation, association, or other organization which performs or will perform functions similar to those of this Association, or its equivalent, in two or more states. Such a corporation, association or organization shall be reimbursed as a servicing facility would be reimbursed and shall be paid for its performance of any other functions of the Association. A delegation under this subsection shall take effect only with the approval of both the board of directors and the commissioner, and may be made only to a corporation, association, or organization which extends protection not substantially less favorable and effective than that provided by this Act.

Section 10. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

(1) The commissioner shall:

(a) Notify the Association of the existence of an insolvent insurer not later than three days after he receives notice of the determination of the insolvency.

(b) Upon request of the board of directors, provide the Association with a statement of the net direct written premiums of each member insurer.

(2) The commissioner may:

(a) Require that the Association notify the insureds of the insolvent insurer and any other interested parties of the determination of insolvency and of their rights under this Act. Such notification shall be by mail at their last known address, where available, but if sufficient information for notification by mail is not available, notice by publication in a newspaper of general circulation shall be sufficient.

(b) Suspend or revoke, after notice and hearing, the certificate of authority to transact insurance in this state of any member insurer which fails to pay an assessment when due or fails to comply with the plan of operation. As an alternative, the commissioner may levy a fine on any member insurer which fails to pay an assessment when due. Such fine shall not exceed 5 percent of the unpaid assessment per month, except that no fine shall be less than $100 per month.

(c) Revoke the designation of any servicing facility if he finds claims are being handled unsatisfactorily.

Section 11. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person recovering under this Act shall be deemed to have assigned his rights under the policy to the Association to the extent of his recovery from the Association. Every insured or claimant seeking the protection of this Act shall cooperate with the Association to the same extent as such person would have been required to cooperate with the insolvent insurer. The Association shall have no cause of action against the insured of the insolvent insurer for any sums it has paid out.

(2) The receiver, liquidator, or statutory successor of an insolvent insurer shall be bound by settlements of covered claims by the Association or a similar organization in another state. The court having jurisdiction shall grant such claims priority equal to that which the claimant would have been entitled in the absence of this Act against the assets of the insolvent insurer. The expenses of the Association or similar organization in handling claims shall be accorded the same priority as the liquidator's expenses.

(3) The Association shall periodically file with the receiver or liquidator of the insolvent insurer statements of the covered claims paid by the Association and estimates of anticipated claims on the Association which shall preserve the rights of the Association against the assets of the insolvent insurer.

Section 12. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person having a claim against his insurer under any provision in his insurance policy which is also a covered claim shall be required to exhaust first his right under such policy. Any amount payable on a covered claim under this Act shall be reduced by the amount of such recovery under the claimant's insurance policy.

(2) Any person having a claim which may be recovered under more than one insurance guaranty association or its equivalent shall seek recovery first from the association of the place of

residence of the insured except that if it is a first party claim for damage to property with a permanent location, from the association of the location of the property, and if it is a workmen's compensation claim, from the association of the residence of the claimant. Any recovery under this Act shall be reduced by the amount of the recovery from any other insurance guaranty association or its equivalent.

Section 13. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

To aid in the detection and prevention of insurer insolvencies:

(1) It shall be the duty of the board of directors, upon majority vote, to notify the commissioner of any information indicating any member insurer may be insolvent or in a financial condition hazardous to the policyholders or the public.

(2) The board of directors may, upon majority vote, request that the commissioner order an examination of any member insurer which the board in good faith believes may be in a financial condition hazardous to the policyholders or the public. Within thirty days of the receipt of such request, the commissioner shall begin such examination. The examination may be conducted as a National Association of Insurance Commissioners examination or may be conducted by such persons as the commissioner designates. The cost of such examination shall be paid by the Association and the examination report shall be treated as are other examination reports. In no event shall such examination report be released to the board of directors prior to its release to the public, but this shall not preclude the commissioner from complying with subsection (3). The commissioner shall notify the board of directors when the examination is completed. The request for an examination shall be kept on file by the commissioner but it shall not be open to public inspection prior to the release of the examination report to the public.

(3) It shall be the duty of the commissioner to report to the board of directors when he has reasonable cause to believe that any member insurer examined or being examined at the request of the board of directors may be insolvent or in a financial condition hazardous to the policyholders or the public.

(4) The board of directors may, upon majority vote, make reports and recommendations to the commissioner upon any matter germane to the solvency, liquidation, rehabilitation or conservation of any member insurer. Such reports and recommendations shall not be considered public documents.

(5) The board of directors may, upon majority vote, make recommendations to the commissioner for the detection and prevention of insurer insolvencies.

(6) The board of directors shall, at the conclusion of any insurer insolvency in which the Association was obligated to pay covered claims, prepare a report on the history and causes of such insolvency, based on the information available to the Association, and submit such report to the commissioner.

Section 14. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

The Association shall be subject to examination and regulation by the commissioner. The board of directors shall submit, not later than March 30 of each year, a financial report for the preceding calendar year in a form approved by the commissioner.

Section 15. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

The Association shall be exempt from payment of all fees and all taxes levied by this state or any of its subdivisions except taxes levied on real or personal property.

Section 16. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

The rates and premiums charged for insurance policies to which this Act applies shall include amounts sufficient to recoup a sum equal to the amounts paid to the Association by the member insurer less any amounts returned to the member insurer by the Association and such rates shall not be deemed excessive because they contain an amount reasonably calculated to recoup assessments paid by the member insurer.

Section 17. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

There shall be no liability on the part of and no cause of

action of any nature shall arise against any member insurer, the Association or its agents or employes, the board of directors, or the commissioner, or his representatives for any action taken by them in the performance of their powers and duties under this Act.

Section 19. Section 304.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the laws of any other state, any taxes and fees in the aggregate, fines, penalties, deposits of money or securities or other obligations, prohibitions or requirements are imposed upon insurers organized under any law of this state and transacting business in such other state, or upon the agents of such insurer, greater in aggregate amount than those imposed upon similar insurers by the laws of this state, or when the laws of any other state require insurers of this state to deposit money or security for the benefit or protection of citizens of such other state, or when the laws or officers of any other state prohibit insurers of this state from transacting business therein without a special examination of the insurers or a computation of their liabilities by the officers of that state, the same taxes and fees in the aggregate, fines, penalties, deposits, examinations, obligations and requirements may be imposed by the commissioner upon all insurers doing business in this state that are incorporated or organized under the laws of such other state, and upon their agents.

(2) For the purpose of this section an alien insurer may be deemed to be domiciled in a state designated by it wherein it has; (a) established its principal office or agency in the United States; or (b) maintains the largest amount of its assets. If no such office or agency has been established, its domicile shall be the country under laws of which it is formed.

(3) For the purpose of this section assessments by insurance guaranty associations or similar organizations in any other state shall not be considered or used in determining retaliatory taxation to be imposed by the commissioner upon insurers doing business in this state that are incorporated or organized under the laws of such other state, or upon their agents.

The Committee Amendment to **HB 184** is as follows:

Amend printed copy of House Bill 184 on page 3, lines 15 & 16, by: inserting between lines 15 and 16 the following:

"(8) "Account" means any one of the three accounts created by Section 6."

and on page 3, line 25 by adding at the end of line 25 the following:

"For purposes of administration and assessment, the Association shall be divided into three separate accounts: (a) The Workmen's Compensation Account; (b) The automobile insurance account; and (c) The account for all other insurance to which the Act applies."

and on page 2, line 4, by deleting "surety, disability,"

and on page 4, line 25 by deleting "$100" and inserting "$200"

and on page 4, line 26 by deleting "$300,000" and inserting "$50,000"

and on page 5, line 18 by deleting "2" and inserting "one"

HB 307, AN ACT regulating the business of making loans or advances in the amount or the value of twelve hundred dollars or less, secured or unsecured.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 288.420 is amended to read:

No person shall, without first obtaining a license from the director, engage in the business of making loans in the amount or of the value of *twelve* [eight] hundred dollars or less at a greater rate of interest, or consideration therefor than six per cent per annum.

Section 2. KRS 288.530 is amended to read:

(1) Every licensee may lend any sum of money not exceeding *twelve* [eight] hundred dollars, excluding charges, and may charge, contract for and receive thereon charges not in excess of twenty dollars per one hundred dollars on that part of the cash advance (the cash or its equivalent received by the borrower or

paid out on his behalf or at his direction or request) not exceeding *three* [one] hundred [fifty] dollars and *sixteen* [fifteen] dollars per one hundred dollars on that part of the cash advance exceeding *three* [one] hundred [fifty] dollars but not exceeding *eight hundred* [six hundred] dollars and *thirteen* [eleven] dollars per one hundred dollars on that part of the cash advance exceeding *eight hundred* [six hundred] dollars but not exceeding *twelve* [eight] hundred dollars, when the loan is made payable over a period of one year, and, proportionately at those rates for a greater or a lesser amount, within said limits, or over a longer or shorter term of loan, and such rates shall be computed on the full amount of the cash advance for the full term of the loan contract, notwithstanding any agreement to repay the loan in installments. Such charges shall be added to the cash advance and the resulting sum shall become the face amount of the note.

(2) For the purposes of computation, whether at the maximum rate or less, a month shall be that period of time from any date in a month to the corresponding date in the next month and if there is no such corresponding date in the next month and if there is no such corresponding date then to the last day of such month, and a day shall be considered one-thirtieth of a month when such computation is made for a fraction of a month. The portion of the charges applicable to any particular monthly installment period, as originally scheduled or following a deferment, shall bear the same ratio to the total charges, excluding any adjustments made pursuant to subsection (3) hereof, as the balance scheduled to be outstanding during that monthly period bears to the sum of all monthly balances scheduled originally by the contract of loan.

(3) A licensee and borrower may agree that the first installment date may be not more than fifteen days more than one month and the amount of such installment may be increased by one-thirtieth of the portion of the charges applicable to a first installment period of one month for each extra day.

(4) If one-half or more of any installment remains unpaid more than seven days after it is due, the licensee may charge and collect a default charge not exceeding two cents for each dollar of the scheduled installment, and such charge may be collected for each full month thereafter the installment remains unpaid.

(5) If the payment of all wholly unpaid installments on which no default charge has been collected is deferred one or more full months, the licensee may charge and collect a deferment charge not exceeding two cents for each one dollar of the sum of the installments so deferred, multiplied by the number of months the maturity of the contract is extended; provided, however, that such number of months shall not exceed the number of installments which are due and wholly unpaid or due within fifteen days from the date of deferment. The deferment charge may be collected at the time of deferment or at any time thereafter. Any payment received at the time of deferment may be applied first to the deferment charge and the remainder, if any, applied to the unpaid balance of the contract, provided, however, that if such payment is sufficient to pay, in addition to the appropriate deferment charge, any installment which is in default and the applicable default charge, it shall be first so applied and any such installment shall not be deferred or subject to the deferment charge. At the time a deferment is made the borrower shall be given a statement or receipt showing the amount of the deferment charge, the date and amount of the next scheduled payment and the number of remaining scheduled payments.

(6) If the contract of loan is prepaid in full by cash, a new loan or otherwise before the final installment date, the portion of the charges applicable to the full installment periods following the installment date nearest the date of prepayment shall be refunded. Any default or deferment charges which are due and unpaid may be deducted from such refund. The tender by the borrower or at his request of an amount equal to the unpaid balance less the required refund must be accepted by the licensee in full payment of the contract. If judgment is obtained before the final installment date the contract balance shall be reduced by the refund which would be required for prepayment in full as of the date judgment is obtained. No refund of less than one dollar need be made; no refund for partial prepayments need be made.

(7) If two or more full installments are in default for one full month or more at any installment date and if the contract so provides, the licensee may reduce the contract balance by the refund or credit which would be required for prepayment in full on such installment date. Thereafter, in lieu of charging, collect-

ing or receiving charges as provided in subsections (1) to (6) inclusive, charges may be charged, collected and received as provided by subsection (8) hereof until the contract is fully paid.

(8) In lieu of computing and collecting charges as provided in subsections (1) to (6) inclusive of this section a licensee may contract for, collect and receive on loans of *twelve* [eight] hundred dollars or less charges not exceeding three per cent per month on that part of the unpaid principal balance of the loan not in excess of *three* [one] hundred [fifty] dollars and two per cent per month on that part of the unpaid principal balance exceeding *three* [one] hundred [fifty] dollars but not exceeding *one thousand* [six hundred] dollars and one per cent per month on that part of the unpaid principal balance exceeding *one thousand* [six hundred] dollars but not exceeding *twelve* [eight] hundred dollars. Such charges shall not be paid, deducted, received in advance or compounded but shall be computed, collected and received only on unpaid principal balances for the time actually outstanding. The definition of a month and of a day in subsection (2) hereof shall apply for the purposes of such computations.

(9) If part or all of the consideration for a contract of loan is the unpaid principal balance of a prior loan with the same licensee then the principal amount payable under such contract of loan shall not include any unpaid charges on the prior loan except such charges which have accrued within sixty days before the making of such new contract of loan and may include the balance remaining after giving the refund required by subsection (6) hereof.

(10) In addition to the charges provided for in this Chapter no further charge or amount whatsoever for any examination, service, brokerage, commission, expense, fee, or bonus or other thing shall be directly or indirectly charged, contracted for, or received, except the lawful fees actually and necessarily paid out by the licensee to any public official for filing, recording or releasing in any public office any instrument securing the loan; the identifiable charge or premium for insurance provided for in KRS 288.560; or fees for noting or releasing a lien on or transferring a certificate of title to any motor vehicle offered as security for a loan made under this Chapter. If any amount in excess of the amounts authorized by this Chapter is charged,

contracted for or received, except as the result of an accidental or bona fide error, the contract of loan shall be void and the lender shall have no right to collect or receive any principal, charges or recompense whatsoever.

(11) No licensee shall induce or permit any borrower to split up or divide any loan nor permit any one borrower or any husband or wife individually or together to become indebted to him under more than one contract of loan at the same time if the actual amount of the indebtedness on any one of such contracts is in the amount or of the value of *twelve* [eight] hundred dollars, or less and there is charged, contracted for, or received thereon, directly or indirectly, by any device, subterfuge, or pretense whatsoever, any interest, or consideration therefor greater than would otherwise be permitted by this Chapter.

(12) No licensee shall directly or indirectly charge, contract for or receive any interest or consideration greater than the lender would be permitted by law to charge if he were not a licensee hereunder upon any loan in the amount or of the value of more than *twelve* [eight] hundred dollars, excluding charges, or in any case in which the licensee permits any individual as borrower, endorser, guarantor, or surety for any borrower, or otherwise, to owe on any loan or loans directly or contingently, or both, to the licensee at any time the sum of more than *twelve* [eight] hundred dollars for principal, excluding charges.

Section 3. KRS 288.560 is amended to read:

Notwithstanding the provisions of this or any other law:

(1) A licensee may request a borrower to insure tangible personal property, except household goods, offered as security for a loan exceeding three hundred dollars under this Chapter against any substantial risk of loss, damage or destruction for an amount not to exceed the actual value of such property or the approximate amount of the loan, whichever is greater, and for a term and upon conditions which are reasonable and appropriate considering the nature of the property and the maturity and other circumstances of the loan; provided such insurance is sold by a licensed agent, broker or solicitor.

(2) A licensee may also request, *provide, obtain, or take* as security for any loan obligation insurance on the life, *health or*

disability, or both, of the borrower, or one of them if there are two or more. [,] *Life insurance* [which] shall be in the approximate amount of the indebtedness scheduled to be due the licensee under the loan contract. Not more than one policy of life insurance may be written in connection with any loan transaction under this Chapter. The *aggregate amount of periodic benefits payable by any health or disability insurance provided obtained or requested by the licensee in the event of disability, as defined in the policy, shall not exceed the aggregate of the scheduled installments and the waiting period provided in such policy must be 14 days or longer.* The premium rate for [life] insurance provided under this section shall be reasonable in relation to the *benefits provided* [death benefit required hereunder] and shall be filed with the Commissioner of Insurance. The Commissioner of Insurance shall, within thirty days after the filing of any premium rate, disapprove such premium rate if it is excessive in relation to the benefits. In determining whether to approve or disapprove any premium rate, the Commissioner of Insurance shall give due consideration to the mortality *and morbidity* costs with respect to *such* [life] insurance on borrowers under this Chapter or similar Acts in other states, a reasonable margin for underwriting expenses and profit and contingencies to the insurer, and cost and compensation to the licensees for providing and servicing such insurance, plus the premiums taxes payable on such [life] insurance.

(3) In accepting any insurance provided for by this section as security for a loan the licensee, its officers, agents or employees may deduct the premiums or identifiable charge therefor from the proceeds of the loan, which premium or identifiable charge shall not exceed the rate filed with the Commissioner of Insurance and not disapproved and remit such premiums to the insurance company writing such insurance and any gain or advantage to the licensee or any employee, officer, director, agent, affiliate or associate from such insurance or its sale shall not be considered as additional or further charge in connection with any loan made under this Chapter. The arranging for and collecting of an identifiable charge shall not be deemed the sale of insurance.

(4) Every insurance policy or certificate written in connection with a loan transaction pursuant to subsection (2) hereof shall provide for cancellation of coverage and a refund of the

premium or identifiable charge unearned upon the discharge of the loan obligation for which such insurance is security without prejudice to any claim. Such refund shall be under a formula filed by the insurer with the Commissioner of Insurance.

(5) Whenever insurance is written in connection with a loan transaction pursuant to this section the licensee shall deliver or cause to be delivered to the borrower a policy, certificate or other memorandum which shall show the coverages and the cost thereof, if any, to the borrower within thirty days from the date of the loan.

(6) All such insurance shall be written by a company authorized to conduct such business in this state and the licensee shall not require the purchase of such insurance from any agent or broker designated by the licensee nor shall the licensee decline existing coverages which equal or exceed the standards of this section.

Section 4. KRS 288.580 is amended to read:

(1) No licensee shall take any confession of judgment or any power of attorney running to himself or to any third person to confess judgment or to appear for the borrower in a judicial proceeding; nor take any note or promise to pay that does not disclose the date and amount of the loan obligation, a schedule or description of the payments to be made thereon, and the rate or aggregate amount of the agreed charges; nor take any instrument in which blanks are left to be filled in after the loan is made.

(2) No licensee shall enter into any contract of loan under this Chapter under which the borrower agrees to make any scheduled repayment of principal more than *thirty-six* [twenty-five] months *and fifteen days* from the date of making such contract and every such contract shall provide for repayment of the amount lent in substantially equal installments at approximately equal periodic intervals of time; provided, however, that when appropriate for the purpose of facilitating payment in accordance with the seasonable nature of obligor's main source of income, payments may be deferred or omitted, if all the other payments are increased in such manner that such other payments are substantially equal in amount and sufficient in the aggregate

to retire the loan in the period of months as hereinabove provided.

(3) No licensee shall take any lien upon real estate as security for any loan under this Chapter, except such lien as is created by virtue of a judgment or decree.

Section 5. KRS 288.570 is amended to read:

(1) The payment of *twelve* [eight] hundred dollars or less in money, credit, goods, or things in action, as consideration for any sale, assignment, or order for the payment of wages, salary, commissions, or other compensation for services, whether earned or to be earned, shall be deemed for the purposes of regulation under this Act, a loan secured by such assignment and the amount by which such assigned compensation exceeds the amount of such consideration actually paid shall be deemed for the purposes of regulation under this Act interest or charges upon such loans from the date of payment to the date such compensation is payable. Such transaction shall be governed by and subject to the provisions of this Act.

(2) No assignment of or order for payment of any salary, wages, commissions, or other compensation for services, earned or to be earned, when taken as security for any loan made under this Act, shall be valid unless the amount of the loan is paid to the borrower simultaneously with its execution. Under any assignment of or order for the payment of future salary, wages, commissions, or other compensation for services given as security for a loan made under this Act, there shall not at any time be collectible from the employer of the borrower more than ten per cent of the amount then owing the borrower for any such salary, wages, commissions or other compensation for services.

Section 6. KRS 288.590 is amended to read:

Each licensee shall annually on or before April 15, file with the director a report for the preceding calendar year. Such report shall give information with respect to the financial condition of such licensee; balance sheets at the beginning and end of the accounting period; a statement of income and expenses for said period; a reconciliation of surplus or net earnings with the balance sheets; a schedule of assets used and useful in the consumer loan business; an analysis of charges, and types of security on

loans of *twelve* [eight] hundred dollars or less; an analysis of delinquent accounts; analysis of suits, repossessions and sales of chattels and such other relevant information as the director may reasonably require concerning the business and operations during the preceding calendar year of each licensed place of business conducted in the state. In the event any person or affiliated group of corporations hold more than one license in the state, he or they may file a composite annual report in lieu of separate reports for each licensed office. Such report shall be made under oath in the form prescribed by the director, who shall make and publish annually an analysis and recapitulation of such reports.

Section 7. KRS 288.620 is amended to read:

(1) No person, except as authorized by statute shall directly or indirectly by any device, subterfuge or pretense whatsoever, charge, contract for or receive or participate as agent, broker or in any other capacity in charging, contracting for or receiving any interest, discount or consideration greater than six per cent per annum upon any loan in the amount of or the value of *twelve* [eight] hundred dollars or less.

(2) Any loan in the amount of *twelve* [eight] hundred dollars or less for which there has been charged, contracted for or received a greater rate of interest, discount or consideration, except as provided for by statute, is against the public policy of this state.

(3) No such loan made outside this state shall be enforced in this state and every person participating therein in this state shall be subject to the provisions of this Act, but this section does not apply to loans legally made in any state, country, commonwealth, territory or district.

HB 140, AN ACT relating to insurance other than life.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 299.310 of the Kentucky Revised Statutes is amended to read as follows:

(1) Twenty-five or more persons residing in any one or more adjoining municipalities, or in any county, or in not more than ten adjoining counties, who collectively own property of

the value of fifty thousand dollars or more, may organize a company for the purpose of cooperative or assessment insurance against *(a) loss of or damage to real or personal property of every kind and interest therein, from any or all hazards or causes, and against loss consequential upon such loss or damage; and (b) legal liability for the death, injury, or disability of any human being, or for damage to property; and medical, hospital, surgical, and funeral expenses of persons injured, irrespective of legal liability of the insured, when issued as an incidental coverage with or supplemental to liability insurance. Such persons shall make and acknowledge a certificate setting forth their intention to form such a company, the counties or municipalities in which it intends to do business, its corporate name, and the place where its principal office is to be located. Every person insured in such a company who signs an application for insurance as required by the certificate of incorporation or by the bylaws of the company shall thereby become a member. Provided, however, that no such company shall insure against any of the hazards set forth in paragraph (b) hereof unless it has a net surplus of two million dollars or more or is fully reinsured as to all such hazards by a contract or contracts filed with and approved by the commissioner.* [physical loss or damage of property by such hazard or hazards as it may provide in its policies by making and acknowledging a certificate setting forth their intention to form such a company, the counties or municipalities in which it intends to do business, its corporate name, and the place where its principal office is to be located. Every person insured in such a company who signs an application for insurance as required by the certificate of incorporation or the bylaws of the company shall thereby become a member.]

(2) No money shall be collected by any person on behalf of the company until two of the members or organizers have given joint bond to the director in the sum of ten thousand dollars, conditioned that all money so collected will be used as directed by law, and that the affairs of the company will be conducted according to law. The bond shall be held by the director for the benefit of the members of the company until the company has become legally incorporated and its affairs have been examined by an expert accountant, appointed by the director,

and found to be in due and regular form, and immediately thereafter the bond shall be cancelled.

(3) No company shall be formed under KRS 299.310 to 299.470 for the purpose of transacting any business of insurance other than as prescribed in those sections, and no company shall insure against any loss other than the ones permitted by those sections. Any company operating under the provisions of KRS 299.310 to 299.470 as of June 1, 1960, shall be authorized to write all types of insurance allowed under subsection (1) hereof without amendment of its charter or articles of incorporation.

The Committee on Cities reported **HB 303** with Committee Substitute attached thereto and **HB 329** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 303, AN ACT relating to the improvement of the main mercantile and business areas of cities of the first class.

Be it enacted by the General Assembly of the Commonmonwealth of Kentucky:

Section 1. A new section of Chapter 93 of the Kentucky Revised Statutes is created as follows:

The legislative body of any city of the first class in this Commonwealth may, to protect the public welfare and the interests of the public in the safe and effective movement of persons and to preserve and enhance the function, appearance and economic viability of the central mercantile and business areas of such cities, establish and adopt plans for pedestrian malls in the manner herein provided, and may construct, reconstruct, repair or improve the same, or any part or parts thereof at the exclusive cost of owners of real estate in the area benefited by the said improvement, to be determined as hereafter provided, all of which shall be done in accordance with the planning and zoning laws and ordinances in effect in said city and under the supervision of, and in accordance with the recommendations of the planning commission having jurisdiction in said city.

"Pedestrian mall" as used herein means any improvement of the public right of way, designed to be used primarily for the movement, safety, convenience and enjoyment of pedestrians,

whether or not part of such right of way is set apart as a roadway for emergency vehicles or other specified types of vehicles, and any plan adopted hereunder for such pedestrian mall may provide for and include space for seating, cafe table, shelters, trees, flower plantings, sculptures, newstands, telephone booths, traffic signs, kiosks, fire hydrants, street lighting, ornamental signs, ornamental lights, trash receptacles, display cases, marquees, awnings, canopies, overhead radiant heating fixtures, underground radiant heating pipes and devices, walls, bollards, chains and any and all other fixtures, equipment, facilities and appurtenances which in the judgment of the city legislature will enhance the movement, safety, convenience and enjoyment of pedestrians and benefit the city and adjoining properties.

Section 2. A new section of Chapter 93 of the Kentucky Revised Statutes is created to read as follows:

A pedestrian mall as hereinabove defined may be established only on the main mercantile street of a city of the first class, encompassing an area not exceeding the limits hereinafter set forth. "Main mercantile street," as used herein shall mean the street in the downtown area of such city containing the greatest number of retail and service establishments and on which is located the main mercantile intersection of such city as hereinafter defined. "Main mercantile intersection," as used herein shall mean that intersection containing within a 200 (two hundred) foot perimeter thereof retail mercantile establishments having a greater total of gross sales at retail for the calendar year next preceding the date of establishment of a pedestrian mall project than any other intersection in said city.

The area established for a pedestrian mall shall not exceed that portion of the main mercantile street extending from the main mercantile intersection to the nearest curb line of the third major intersecting street in either direction from said main mercantile intersection and shall include within said area all properties from the center line of the main mercantile street to the nearest curb line of each major street immediately paralleling said main mercantile street on either side.

Section 3. A new section of Chapter 93 of the Kentucky Revised Statutes is created as follows:

The improvement costs of pedestrian malls as herein contemplated shall include every expense whatsoever connected therewith including all costs of any actions in court necessitated thereby, preliminary surveys, drawings, engineering services, plans and specifications, and advertising costs, all of which shall be assessed against the benefited area as herein provided.

Section 4. A new section of Chapter 93 of the Kentucky Revised Statutes is created as follows:

The General Assembly of this Commonwealth now finds as a fact that land and any improvements thereon located within the territory on both sides of a pedestrian mall as determined under Section 2 hereof to the nearest curb line of the streets immediately paralleling said mall area will be benefited by such improvement, and in providing for the assessment of the cost of the improvement as hereinafter provided, the legislative body of the city shall by ordinance fix the benefited area accordingly. However, said legislative body or the courts may make all necessary corrections with respect thereto, to do justice to all parties concerned.

Section 5. A new section of Chapter 93 of the Kentucky Revised Statutes is created as follows:

(1) For the purpose of providing the necessary funds for the construction of any pedestrian mall contemplated hereunder, the director of works of the city and the planning commission shall jointly prepare a map or maps showing the location of the proposed improvement, the extent and width thereof, any rights of way to be acquired, the estimated costs thereof, detailed plans, specifications and working drawings for said improvement and the total estimated cost of the entire project as contemplated, a map showing the location of all property benefited as herein provided and the estimated cost per square foot to the lots to be assessed therefore, together with the names and addresses, if known, of all owners of property within the benefited area, and with such further recommendations, information and data as the said director of works and planning commission may see fit to furnish the legislative body of the city or that the legislative body may request them to furnish.

(2) If the legislative body finds that the cost of the im-

provement does not exceed the benefits to the area to be assessed, it shall by ordinance establish the benefited area and the assessment as provided in Section 1 and 2 hereof, but shall, however, divide the assessment area on each side of the improvement into two assessment zones, the zone contiguous to the improvement being Zone One, which shall be restricted to a depth of two hundred feet, and the remaining portion, designated Zone Two to contain the remainder of the area. The asssessment of cost shall be equally apportioned against the owners of lots in each respective zone on a square foot basis, except that eighty percent of the total cost of the project shall be assessed against the property in Zone One, and twenty percent of said cost shall be assessed against the property in Zone Two.

(3) After the introduction of the ordinance and its first reading by the legislative body, it shall cause notice to be mailed by registered mail to each affected property owner informing them of the pendency of the ordinance before the legislative body, which notice shall include a brief statement of the boundaries of the benefited area and zones thereof and therein to be assessed, the amount per square foot of the proposed assessment for each zone, and such other informative matter as it deems desirable. Said notice shall also state a time, place, and date for a public hearing before said legislative body concerning the proposed project which date shall be at least two weeks following mailing of the notice aforesaid.

(4) After the completion of the public hearing set forth in subsection (3) of this section, the legislative body of the city, may proceed with the adoption of the ordinance aforesaid, with such amendments, if any, as may appear equitable from the information adduced at the said public hearing.

(5) After final passage and approval of the ordinance aforesaid, action to proceed with the improvement shall be stayed for a period of thirty days, during which period any group of owners within the benefited area aggregating either:

(a) ten percent of such owners by parcel (each parcel being deemed to have but one owner) or,

(b) owners representing not less than twenty-five percent of the total square footage contained in said benefited area,

shall have an equitable cause of action to set aside the special benefit assessment on the grounds that said assessment is unjust and unreasonable or unfair and inequitable. Failure to bring such action within the time specified shall bar any subsequent legal challenge to the validity of the assessement procedure.

(6) If during the thirty day period following final passage and approval of the ordinance aforesaid, written objection to the said ordinance, signed by persons owning at least fifty-one percent of the parcels within the proposed area of assessment and representing at least fifty-one percent of the total assessed value of all real property within said area is filed with the city legislative body then the said ordinance shall be null and void and no further steps shall be taken thereunder. Such action shall not prevent the preparation and presentation of a new proposal.

Section 6. A new section of Chapter 93 of the Kentucky Revised Statutes is created to read as follows:

(1) Any plan providing for assessments under Section 5 hereof may provide that tenants having an estate less than a freehold shall be liable for an equitable portion of the amount assessed against each parcel, such assessment to be in an amount computed as a percentage that such tenancy bears to the total use of the parcel factored against the total assessment of the parcel and further adjusted to the remaining term of the tenancy in the percentage such term bears to forty years, the estimated useful life of said improvement.

(2) Only tenancies created prior to the effective date of this Act shall be affected and nothing in this Act shall affect any specific provision in any rental contract contrary to the provisions herein contained.

(3) The apportionment of a part of an assessment against a tenant shall not relieve the owner of any part of the lien hereinafter provided to guarantee payment of the entire amount of assessment; however, any owner, or mesne tenant, who pays an assessment for a delinquent tenant shall have a cause of action against the delinquent tenant as if the amount paid by the owner or mesne tenant on account of the assessment were rent due but unpaid by the delinquent tenant.

(4) Any city making use of this Section may make reason-

able classification of tenancies within the general guide lines set forth in Subsection (1) of this section. Treatment accorded each class of tenancy shall be uniform.

(5) Any tenant or group of tenants believing himself or themselves aggrieved by any assessment, may within thirty days following the passage and approval of the ordinance establishing the benefited area, bring an equitable action against the owner of the mesne parcel in which action the city shall be joined. Any such action shall determine only the apportionment of the assessment cost as between tenant and owner and shall not affect overall assessment procedure.

(6) If the provisions of this section shall for any reason be determined to be invalid by a Court of competent jurisdiction, such ruling shall not affect the balance of this Act, it being the intention of the legislature that this section be deemed severable.

Section 7. A new section of Chapter 93 of the Kentucky Revised Statutes is created to read as follows:

(1) The assessments contemplated herein shall attach and become a lien in favor of the city, thirty days following final passage and approval of the ordinance unless stayed by an action brought pursuant to the provisions of Section 5, Subsection (5) of this Act in which latter case such assessments shall attach upon final disposition of all such actions. Each person assessed shall within sixty days following the date upon which such assessments attach either:

(a) pay the entire assessment without interest to the Director of Finance of the City or,

(b) Notify the said Director of Finance of his intention to pay such assessments in equal annual installments together with interest at a rate not exceeding eight percent per annum on the unpaid balance over a term of five, ten, fifteen, twenty or twenty-five years (provided, however, that any tenant subject to assessment may not elect to pay his assessment over any term exceeding his lease term.), the first such installment to be due and payable one year from termination date of the sixty day period aforesaid. Such notification to the Director of Finance shall include a statement that

in consideration of such privilege of extended payment the person assessed waives any and all objection to any illegality or irregularity in the assessment, levy or imposition of said assessment against him and that he will pay the same in the manner so elected. Any property owner who exercises the option to pay in installments shall further waive any defense against payment of said assessment. Said notification and agreement shall be filed in the office of the Director of Finance. Default in the payment of any installment and interest for a period of fifteen days after becoming due shall render the unpaid installments and interest immediately due and payable and there shall be added thereto a penalty of ten percent of the unpaid assessment balance and accrued interest which shall likewise constitute a lien upon the property assessed and shall become a part of the funds to pay for the improvement. Action to enforce such lien may be immediately taken in Circuit Court and all costs of such action not otherwise provided for by law may be paid from the improvement fund. Said assessments may be included upon the regular tax bills of the City against the person or property assessed, and collected, as regular taxes are collected, or may be collected by the Director of Finances as ordinary street improvement assessments are collected.

(2) The Director of Finance shall collate all requests for extended payment made pursuant to Subsection (1) (b) of this Section and shall present same to the legislative body of the City to provide funds for the immediate cost of the improvement. The city legislative body shall by ordinance authorize the issuance and sale of improvement bonds, pledging the assessments and the liens on the property for the payment of the principal and interest of the bonds. The bonds shall be dated sixty days after assessment becomes final under Section 7 (1) of this Act and shall be made payable to bearer. Said bonds shall be numbered consecutively and shall be divided into series maturing for payment coincident, as nearly as practicable, with the total amounts payable each year on said assessments.

(3) The bonds and interest thereon shall be payable at the office of the Director of Finance or at any bank or banks

as may be designated by the City Legislative body. Interest on all unpaid bonds shall be payable semi-annually.

(4) Said improvement bonds shall be in denominations of one hundred dollars or any multiple thereof. They shall bear interest at a rate not exceeding eight percent per annum from date of issuance and shall have suitable coupons attached evidencing the semi-annual interest.

(5) Said bonds shall be inscribed with the name of the street upon which the improvement is located followed by the words "Pedestrian Mall" and the name of the City. The bonds shall be signed by the Mayor and countersigned by the Director of Finance, and the coupons shall be signed by the Director of Finance with his engraved or lithographed facsimile signature. The Director of Finance shall attest the signatures to the bonds under the seal of the City. It shall not be necessary in the bonds to recite the steps taken in authorizing the improvement or making the assessment, but it shall be sufficient to make a general reference to said proceedings and to this Act.

(6) The said improvement bonds shall be negotiable and exempt from all taxation. They shall not be sold for less than par and accrued interest, and until such bonds are sold no contracts for the improvements herein contemplated shall be let.

(7) Any premium realized from the sale of said bonds and any penalties collected on delinquent installments shall go into the fund for the payment of the bonds and interest. The bonds and interest shall be payable exclusively out of funds actually collected by the City on account of improvement assessments in anticipation of which the bonds are issued, and the City shall in no event be liable on any bond except to the extent of funds actually paid to it on said account.

(8) All bonds shall be subject to payment and redemption at any interest period occurring four or more years after the date of issue.

(9) The Director of Finance may, when funds have accumulated sufficient to redeem bonds in excess of the next series falling due, select by lot, from the next succeeding series, bonds of a par value not exceeding the excess in the fund. He shall publish an advertisement pursuant to KRS Chapter 424 stating

the designation and numbers of the bonds so drawn and the fact that the bonds will be redeemed at their par value and accrued interest on the next interest paying date. The bond specified in the notice shall bear no interest after the date fixed for their redemption, and shall be paid when presented for redemption after said date.

(10) Said bonds shall convey and transfer to their owners all lien, right, title and interest in and to the assessments and liens upon the respective lots and parcels of ground, which liens, until released by payment, shall stand as security for the bonds and coupons until paid.

(11) In any foreclosure suit brought by the City or any bondholder, it shall not be necessary to make the other bondholders parties. The proceeds of the suit shall be paid to the Director of Finance for the redemption of matured bonds and accrued interest in the same manner as if paid without suit.

(12) Should there at any time be any deficit in the fund provided for, the payment of the bonds aforesaid or interest accrued thereon, the city legislature body may appropriate from the General Fund of the City sufficient amounts to cover the deficit, and it may reimburse the General Fund out of any subsequent collections of assessments, interest or penalties.

Committee Substitute HB 303, AN ACT relating to Pedestrian Mall Projects in cities of the first class.

WHEREAS, the General Assembly of the Commonwealth of Kentucky hereby determines that in Cities of the First Class, the public ways and thoroughfares situated in the downtown areas of said Cities have become increasingly congested, unhealthy and unsafe by virtue of the ever-increasing movement of vehicular traffic, and that as a result thereof, pedestrian traffic, which is vital to the continued viability of such downtown areas, is decreasing, all of which has caused an erosion of property values and which constitutes a threat to the health, safety and welfare of the general public, and a threat to the economic viability of downtown areas, which areas are important in the continuing ability of such Cities to function effectively for the benefit of the public; and

WHEREAS, the General Assembly of the Commonwealth of

Kentucky further determines that the improvement of such downtown areas by the construction of Pedestrian Mall Projects will tend to preserve and enhance the economic viability of such downtown areas, and will immeasurably enhance the safety, health, convenience, enjoyment and general welfare of the public, and will thereby constitute the performance of essential governmental and public purposes;

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 93 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, the following words or terms shall have the respective meanings indicated wherever used in this Act unless a different meaning is clearly indicated by the context:

(1) "City" means a city of the first class, as identified in KRS 81.010(1).

(2) "Governing body" means the board of aldermen, or the chief body of the city with legislative powers, however designated by applicable statutes.

(3) "Downtown area" means that area of a city located within a radius of thirty-five hundred linear feet measured in a straight line from the center of the city hall or other municipal building of the city in which the legislative branch of the government of the city is housed.

(4) "Public way" shall have the same meaning as is ascribed to that term in KRS 93.010(2).

(5) "Principal public way" means a public way which is not less than sixty feet in width.

(6) "City block" means the distance between two principal public ways.

(7) "Square block" means that territory or body of land bounded on all sides by principal public ways which intersect one another in the downtown area, on each side of which there is but one city block.

(8) "Main mercantile street" means the portion of the principal public way in the downtown area of a city (a) upon which

there is located, on the portion thereof within the downtown area, properties having the highest aggregate assessed value for city ad valorem real property taxes, and (b) upon the sidewalks of which, on the portions thereof in the downtown area, there is the greatest volume of pedestrian traffic, which latter fact shall be determined by the governing body of the city upon the basis of the latest available surveys and statistical information.

(9) "Pedestrian mall project" means and includes the construction and installation of pedestrian mall improvements in and upon that portion of the main mercantile street to an extent, not exceeding six city blocks in length, which the governing body of a city determines by Ordinance should be classified as a pedestrian mall, and used primarily for the movement, safety, convenience, enjoyment and general welfare of pedestrians, and upon which vehicular traffic is limited to such vehicles as the governing body determines are consistent with the primary use of such pedestrian mall project.

(10) "Pedestrian mall improvements" means any and all constructions, installations, fixtures, facilities, changes and betterments made to and upon a pedestrian mall which will enable it to be used, or which will facilitate its use, as a pedestrian mall, including walkways, shelters, seating and the space therefor, trees, flower plantings, sculptures, fountains, newsstands, traffic signs, kiosks, ornamental signs, radiant heating fixtures, trash receptacles, display cases, marquees, awnings, canopies, walls, bollards and any and all other fixtures, equipment, facilities and appurtenances which, in the judgment of the legislative body, will enhance the movement, safety, convenience, enjoyment and general welfare of pedestrians, and thereby stimulate pedestrian movement and increase the value of all properties located in the pedestrian mall area.

(11) "Pedestrian mall improvement costs" shall mean and include all costs and expenses incurred in the planning, design, construction, installation and financing of a pedestrian mall, including, but not by way of limitation, the cost of labor, materials and equipment necessary to complete the Project in a satisfactory manner, if any, and every other expense in connection with the project, including preliminary and other surveys and designs, inspection of the work, cost of relocating utilities, engineering

and architectural fees and costs, attorneys' fees, preparation of plans and specifications, publication of ordinances and notices, interest which will accrue on improvement assessment bonds during construction of the project, and until the due date of the first annual improvement assessment levied in connection therewith, a sum equal to any discount in the sale of the bonds (if discount bids are authorized and permitted by the governing body), a reasonable allowance for unforeseen contingencies, the printing of bonds and other costs of financing, which may include the payment of a fee to a Fiscal Agent for advice and assistance in the preparation and marketing of the bonds.

(12) "Pedestrian mall benefit area" means and shall include all of the land (except such as is located in a public way) which the governing body of the City by ordinance determines will be benefited by a pedestrian mall project, including specifically all land abutting directly on both sides of such project, and said pedestrian mall benefit area, may, if such benefit be so determined, include all of the land in each square block one side of which abuts or fronts upon a pedestrian mall; provided that lands not directly abutting a project shall be assessed at a lesser ratio, as provided in Section 3 of this Act.

(13) "Assessed value basis" means the plan for the levying of annual improvement benefit assessments on the basis of the assessed values of the properties benefited by a pedestrian mall project, as authorized by this Chapter, and as further defined in Chapter 107 of the Kentucky Revised Statutes.

(14) "Improvement assessment bonds" means bonds which are issued pursuant to authority of this Act and Chapter 107 of the Kentucky Revised Statutes for purposes of financing the pedestrian mall improvement costs incident to a pedestrian mall project.

(15) "Zone One benefited land" means all land situated within a pedestrian mall benefit area which directly fronts and abuts upon a pedestrian mall project, to a depth of two hundred ten (210) feet, only. Zone One benefited land shall include all contiguous city lots under common ownership if a portion of any of such lots fronts and abuts upon a pedestrian mall project, notwithstanding the fact that such lots may be assessed separately for city ad valorem real property taxes.

(16) "Zone Two benefited land" means all of the land, except Zone One benefited land situated within each square block which abuts upon a pedestrian mall project.

Section 2. A new section of Chapter 93 of the Kentucky Revised Statutes is created to read as follows:

The General Assembly of the Commonwealth of Kentucky finds as a fact that the preservation of downtown areas of cities is vital to the health, safety and material well-being of the citizens and inhabitants thereof, and that the construction and installation of pedestrian mall projects will contribute to the safe and effective movement of persons, and serve the public health, safety, convenience, enjoyment and general welfare. The governing body of a city, to protect and serve the public safety, convenience and welfare and the interests of the public in the safe and effective movement of persons, and to preserve and enhance the function, appearance and economic viability of the central mercantile and business area of such city, may initiate, construct, install and establish a pedestrian mall project in the manner herein provided, at the exclusive cost of the owners of land located in the pedestrian mall benefit area, which is benefited by a pedestrian mall project.

Section 3. A new section of Chapter 93 of the Kentucky Revised Statutes is created to read as follows:

(1) The General Assembly of the Commonwealth of Kentucky determines as a legislative finding of fact that the initiation, construction, installation and establishment of a Pedestrian Mall Project pursuant to the authority contained in this Act constitutes a direct, physical, material and substantial benefit to land fronting and abutting directly upon said Pedestrian Mall Project; and may, directly, physically, materially and substantially benefit the land other than that land directly fronting and abutting upon the Pedestrian Mall Project which is situated within every square block, a portion of which directly abuts a Pedestrian Mall Project, if said benefit is so established and determined by the governing body of a City instituting such project. However, that land situated within such square blocks not directly fronting and abutting upon a Pedestrian Mall Project, where benefited, is recognized to be directly, physically, materially and substantially

benefited to a lesser degree than land directly fronting and abutting upon such Pedestrian Mall Project.

(2) The governing body of a City instituting, installing, constructing and establishing a Pedestrian Mall Project shall, based upon a careful study of the facts involved, determine the nature and scope of the area of land benefited by the Pedestrian Mall Project. The governing body may, if benefit be determined to inure to land other than that fronting and abutting directly upon a Pedestrian Mall Project, ordain and determine that such land other than land directly fronting and abutting upon the Project is benefited by such Project; provided, however, that in such event the benefited land other than that directly fronting and abutting upon the Pedestrian Mall Project shall not be assessed to an extent greater than as hereinafter set forth.

(3) In the event the governing body shall determine that land directly fronting and abutting on a Pedestrian Mall Project is the only land benefited by said Project, such land shall be the only property included in the Pedestrian Mall Benefit Area, and shall be assessed the entire costs of the Project, on the assessed value basis authorized by Chapter 107 of the Kentucky Revised Statutes, as hereinafter provided. In the event the governing body shall determine that the Pedestrian Mall Project will benefit all properties situated within every square block abutting upon a Pedestrian Mall Project, the Pedestrian Mall Benefit Area shall be divided into two special benefit assessment zones, to be identified as Zone One Benefited Land and Zone Two Benefited Land. Zone One Benefited Land shall include all land fronting and abutting on the Pedestrian Mall Project to the depth of each parcel of land which fronts on said Pedestrian Mall Project; provided, however, that Zone One Benefited Land shall be assessed only to a depth from the Pedestrian Mall Project of two hundred ten (210) feet, it being determined as a legislative finding of fact that direct, physical, material and substantial benefits of the nature resulting from abutting directly upon such Project do not accrue to properties which are situated at a distance from the Pedestrian Mall Project exceeding two hundred ten (210) feet. All of the remaining land situated within any square block fronting upon a Pedestrian Mall Project shall be classified as Zone Two Benefited Land.

(4) In levying improvement benefit assessments against all benefited lands situated within the geographical boundaries of the Pedestrian Mall Benefit Area, as such area is defined by Ordinance adopted by the governing body, in the event the governing body has determined that all property situated within every square block abutting upon a Pedestrian Mall Project shall be benefited by the Project, and that all such property shall consequently be classified as Zone One Benefited Land and Zone Two Benefited Land, not less than eighty percent (80%) of the total amount of improvement benefit assessments levied in each year shall be levied against and collected from the owners of the land classified as Zone One Benefited Land, and the remainder of the total amount of improvement benefit assessments levied in each year shall be levied against and collected from the owners of the land classified as Zone Two Benefited Land, all such assessments to be made on the assessed value basis.

Section 4. A new section of Chapter 93 of the Kentucky Revised Statutes is created to read as follows:

In the financing of Pedestrian Mall Projects, Cities of the First Class shall use and employ all of the authority and procedures granted to incorporated municipalities by KRS 107.010 to 107.220; provided, however, that Improvement Assessment Bonds issued for Pedestrian Mall Projects may be caused to mature as to principal in term or serial maturities not to exceed thirty (30) years from date of issue, instead of being limited to twenty (20) years from date of issue, as otherwise provided in Chapter 107 of the Kentucky Revised Statutes, and provided further that said Improvement Assessment Bonds may be issued at any rate or rates of interest which may be determined upon by the governing body of such City.

Section 5. A new section of Chapter 93 of the Kentucky Revised Statutes is created to read as follows:

Nothing in this Act shall authorize (1) the financing of the cost of facilities for the generation, transmission, or distribution of electric energy; or (2) the financing of the cost of facilities for the production, transmission or distribution of gas (natural, manufactured, or mixed), telephone and telegraph; (3) the city governing body to condemn or require the relocation of property or facilities of a public service company when such action would

destroy or adversely affect the service rendered by it to the public in and about the benefited area, or would adversely affect the general system of facilities operated by the public service company, (4) the city governing body to exercise the power of condemnation with respect to any other property under any circumstances; provided, however, the city governing body may, in order to construct pedestrian mall improvements, acquire by condemnation such easements and rights of user as may be necessary for construction and continued maintenance of such pedestrian mall improvements.

Section 6. A new section of Chapter 93 of the Kentucky Revised Statutes is created to read as follows:

The provisions of this Act are severable, and if any provision of this Act, or the application of any such provision under certain circumstances, shall be held to be invalid, the invalidity of such provision or provisions shall not affect any other provisions of this Act or the application thereof under different circumstances.

HB 329, AN ACT relating to public improvements in first class cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 93.370 of the Kentucky Revised Statutes is amended to read as follows:

(1) *(a)* The improvement of any street or alley, except as provided in KRS 93.470 to 93.600 *and in subsection (4) of this section,* shall be made at the exclusive cost of the owners of lots in each fourth of a square, to be equally apportioned by the director of works, according to number of square feet owned by them.

(b) Before any ordinance authorizing improvement of any street or alley is finally adopted, any property owner affected shall be notified by the clerk of the city legislative body and given an opportunity to be heard by the city legislative body.

(2) When made in connection with the improvement of a street or alley, the cost of curbing shall constitute a part of the

cost of the construction of the street or alley, and not of the sidewalk.

(3) Each subdivision of the territory bounded on all sides by principal streets shall be deemed a square. When the territory contiguous to any public way is not defined into squares or principal streets, the ordinance providing for the improvement shall state the depth, not exceeding five hundred feet, on both sides of the improvement to be assessed for the cost, including the cost of the improvement of the intersections of the public way, according to the number of square feet owned by the parties within the depth, as set out in the ordinance.

(4) If justified by showing made at the hearing provided for in subsection (1) (b) of this section, the city may provide by ordinance for bearing all or any part of the cost of the improvement of any street or alley. The ordinance shall state precisely the location of the improvements and the proportion of the total cost to be borne by the city.

The Committee on Labor and Industry reported **HB 46** with Committee Amendment attached thereto with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

The Committee Amendment to **HB 46** is as follows:

Amend printed copy of House Bill 46 on pages 1 & 2, lines 13 and 1, respectively, by striking the words *"or directly interested in"*

and on page 2, lines 2 through 6, by striking all of lines 2 through 5 and the words *"in the dispute;"* on line 6

The Committee on Cities reported **HB 320** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 320, AN ACT relating to new community districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be Chapter 108A of the Kentucky Revised Statutes.

Section 2. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

In enacting this Act it is the intention of the General Assembly to promote private initiative and voluntary participation in planned urbanization by authorizing New Community Districts to exercise general governmental powers within a specific area provided certain criteria of size, location and accountability are met. In the establishment of a New Community District, consideration shall be given to local desires and to state and regional goals and policies as expressed in any comprehensive land use or urbanization plans. New Community Districts shall coordinate their activities with the policies, plans and programs of Area Development Districts in which they are located.

Section 3. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

Organization of a New Community District shall be commenced by petition of a non-profit membership corporation filed in the County Court of a county in which the territory is located. If the district includes territory in two or more counties, the County Court and County Clerk of each county shall perform the functions set forth in this Act for their respective counties. The petitioning non-profit corporation shall have the following characteristics:

(1) All adults who are residents, or become residents, of the territory included in the district shall be eligible for membership in the corporation.

(2) The income and assets of the corporation shall be used for the development of the area within the district and such other purposes as are incidental to the development.

Section 4. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

No petition for a New Community District shall be considered by the County Court unless:

(1) The petition contains the name and address of each landowner within the territory of the proposed district and the petitioner has control, by deed, contract or option, of 75 percent of the land to be included in the district.

(2) The district would contain at least six square miles of contiguous territory.

(3) The petition contains a description of the proposed territory and is accompanied by a map of the area and a statement of the criteria for a development plan.

(4) The petition states the number of Commissioners to be appointed by the Governor as the initial Board of Commissioners and the term for which each shall serve.

Section 5. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

Upon receipt of the petition, the County Clerk shall set a date for a hearing to be held not less than thirty days nor more than sixty days from the date the petition is filed and shall cause a notice together with a copy of the petition, map and statement of development criteria to be sent to each landowner within the territory and to the Fiscal Court and the Board of Education of each county in which any portion of the proposed district is located. Transfer of control of the land to Petitioner or written approval or consent by a landowner, Fiscal Court or Board of Education, filed with the petition, shall constitute a waiver of this notice requirement.

Section 6. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

On the date set by the County Clerk the County Court shall examine the petition and the qualifications of the petitioner and shall hear any objections from the Fiscal Court or the Board of Education of any county containing any portion of the proposed district. If the Court finds that the petition is in order, and that there is no objection by an Fiscal Court, the County Court shall enter an order establishing a New Community District. If a Board of Education of any county containing any portion of the proposed district objects to the petition, the New Community District shall have no power or authority to establish an independent school district as provided in Section 12 of this Act and this restriction shall be stated in the order establishing the New Community District. The County Court shall send the Governor a certified copy of its order establishing a New Community District.

Section 7. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

The Governor shall, immediately upon certification that the district has been established, appoint the initial Board of Commissioners as set forth in the petition and the Petitioner shall have authority to act for the Board until such appointments have been made.

Section 8. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

Certification of a New Community District shall constitute adoption of the development criteria filed with the petition as the planning intent of the county for the use of land within the district and shall exempt such area from all housing restrictions and building codes in order to promote innovation and experimentation.

(1) No land within the New Community District shall be used except in accordance with a development plan based on the criteria filed with the petition. The petitioner shall make every reasonable effort to acquire all of the real property within the district by negotiated purchase at a fair and reasonable price.

(2) If the petitioner is unable to acquire portions of the land within the district by negotiated purchase, the New Community District may acquire such land for public uses such as schools, roadways, park and open space, and utilities, but not for private residential or commercial uses, by condemnation in accordance with the procedure provided in Section 9 of this Act.

Section 9. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

Proceedings for condemnation by a New Community District shall be in the Circuit Court, conducted in the name of the district, and shall be commenced by petitions and summons, and carried on in a manner similar to actions at law, except that in proceedings against non-resident, absent and unknown defendants the district shall not be required to post bonds as provided under CR 4.11. In any such actions the owners of distinct parts of any one general tract sought to be condemned may be included in one proceeding, or any one or more of such owners holding con-

tiguous properties may be proceeded against in a separate action. Trial of such actions shall be by a jury summoned under order of court and consisting of twelve freeholders of such district or county, who shall be sworn to ascertain and determine fairly and impartially by their verdict the amount of compensation each and every owner shall be entitled to receive for his or her land or property to be condemned; and no award of compensation shall be increased by reason of any increase in the value of real property caused by the actual or proposed acquisition or the use or disposition by the New Community District of any other real property for public purposes. Nonresidents, absent defendants, or unknown owners of property shall be proceeded against by warning order as in other civil actions. Any condemnation proceeding shall have precedence on the docket of the court and may be assigned for trial as soon as the parties are before the court. Upon return of the verdict of the jury, the court shall enter judgment vesting in such district the title to the property described and condemned, the said judgment to take effect upon the payment into the court by said district of the amount of money named in the verdict, and all taxed costs of the proceedings, and said district shall have sixty days within which to make said compensation and payment; provided, however, if payment be not made within such time, the said condemnation shall be deemed and treated as abandoned, and the verdict and judgment set aside, and the proceedings dismissed at the cost of said district, but without prejudice to any subsequent proceedings.

Section 10. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

A New Community District shall be managed by a Board of Commissioners, consisting of not less than five members.

(1) The initial Board shall be appointed by the Governor of the State for such terms as are set forth in the petition. These Commissioners need not be residents of the district.

(2) As the term of each appointed Commissioner expires, the office vacated shall be filled by a Commissioner elected by the registered voters of the district or an appropriate subdivision of the district in accordance with the by-laws of the district and the general election laws of the State. Elected Commissioners shall

be residents of the district and other qualifications and the term of such Commissioners may be prescribed by the by-laws.

Section 11. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

The Board of Commissioners shall have authority:

(1) To make and alter by-laws and regulations for the district's organization and management.

(2) To establish any departments, offices, and committees, and to employ any officers, managers, employes and agents and to determine the terms and conditions of their employment the Board deems proper for the administration of the functions, services and purposes of the district.

(3) To fill any vacancy on the Board occurring during the term of a Commissioner.

Section 12. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

A New Community District shall be a public body corporate and political subdivision, with power to adopt and use a corporate seal, sue and be sued, contract and be contracted with, and in every way to function as a municipal corporation or a natural person including but not limited to the power and authority to:

(1) Enact and enforce by fines and penalties, all such regulations, taxes and licenses, not contrary to the laws and constitution of Kentucky and the United States, as are deemed expedient in maintaining the peace, safety, good government, health and welfare, trade, commerce and industry within the boundaries of the district.

(2) Establish an independent school district coterminous with the boundaries of the New Community District and appoint the five members of the Board of Education to serve until their successors are elected and qualified according to law; two members shall be elected by the voters of the district at the time the first Commissioners of the New Community District are elected and three members two years thereafter, each with a term of four years. The independent school district shall assume and pay the area's proportionate share of the county school district's

capital requirements, including payments of both principal and interest on any indebtedness outstanding, as of the date of the establishment of the independent school district.

(3) Acquire, own, hold, use, improve, sell, convey and otherwise deal in and with real or personal property; make contracts and incur liabilities, borrow money, issue its notes, bonds and other obligations, and secure any of its obligations by mortgage or pledge of any of its property, franchises or income in any manner and on any terms not contrary to the Constitution or the laws of the Commonwealth of Kentucky.

(4) Contract with counties, cities, districts or other organizations for services; and create additional service districts within or coterminous with the New Community District with the consent of a majority of the landowners within such service district.

(5) Do all things necessary or incidental to carry out its purposes and exercise the powers granted to it.

Section 13. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

Additional territory may be added to a New Community District in the following manner:

(1) Territory in an unincorporated area shall be added to a New Community District upon approval of the Board of Commissioners of the district and of the County Court in which any portion of the additional territory is located when a petition signed by 51 percent of the registered voters in the territory is filed in the County Court in which the greater portion of said territory is located.

(2) Territory of an incorporated city or other district may be added to a New Community District by agreement between the legislative body of the city or governing board of the district and the Board of Commissioners of the New Community District.

Section 14. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

A New Community District may be incorporated as a city with its present territorial boundaries when the population reaches

3,000 residents; but no portion of an existing New Community District, consisting of less than its entirety, may be incorporated into or annexed by a city:

(1) A city incorporated with the same territory as an existing New Community District shall have all the powers and authority granted a city of the class to which it is assigned by law, and the New Community District shall cease to function.

(2) Proceedings to incorporate and charter a New Community District as a city shall be commenced by the Board of Commissioners and shall be conducted according to the laws of the state governing incorporation of cities.

(3) After a judgment establishing a city has been rendered, and until the General Assembly has assigned the city to the class to which it belongs, all general laws relating to cities of the fourth class shall apply to a city incorporated with the same territory as an existing New Community District.

Section 15. A new section of Chapter 108A of the Kentucky Revised Statutes is created to read as follows:

This Act shall not be construed as repealing any of the laws of the Commonwealth relating to cities, counties, school districts or urban services districts, but shall be held and construed as supplemental thereto.

The Committee on Rules reported **HB 23,** with Committee Substitute attached thereto, has been recommitted to the Committee on State Government for the purpose of adding an amendment.

The Committee on Rules reported **HB 29** with Committee Amendment attached thereto, **HB 152, HB 187, HB 201** with Committee Substitute attached thereto, **HB 204** with Committee Amendment attached thereto, **HB 205** with Committee Amendment attached thereto, **HB 262, HB 272, HB 299, SB 36, SB 109** and **HR 46** have been posted for passage in Orders of the Day, February 11, 1970.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Business Organizations and Professions: **HB 427.**

Cities: **HB 425.**

Health and Welfare: **HB 424.**

Highways and Traffic Safety: **HB 422.**

State Government: **HB 423, HB 426.**

Rules: **HR 46.**

Motions, Petitions and Communications

The following Discharge Petition, to be considered at a later date, was filed by Representative Conn in regard to **HB 301:**

DISCHARGE PETITION

Pursuant to House Rule 47 of the 1970 Regular Session of the Kentucky General Assembly, the following regularly elected and qualified members of the House hereby request that **HB 301** be discharged from the Committee on Appropriations and Revenue, to which it was referred by the Committee on Committees on January 29, 1970, for consideration by the House as provided in the said rule.

1. Peter D. Conn
2. Carl A. Nett
3. Dottie Priddy
4. Robert F. Hughes
5. E. Bruce Blythe, Jr.
6. Jerry Kleier
7. William Donnermeyer
8. John Swinford
9. Dan J. Roberts
10. George R. Siemens
11. James R. Yocom
12. Phillip E. King
13. Tommy Reed
14. Ralph Graves
15. J. E. Murphy
16. William Kenton
17. James I. Osborne
18. W. J. Louden
19. Dwight Wells
20. Joe Clarke
21. Charles S. Wible
22. Bart N. Peak
23. (Mrs.) Mae Street Kidd
24. Austin Wenz
25. Brooks Hinkle

This petition dated February 10, 1970

The following Discharge Petition, to be considered at a later date, was filed by Representative Rickert in regard to **HB 16:**

DISCHARGE PETITION

Pursuant to House Rule 47 of the 1970 Regular Session of the Kentucky General Assembly, the following regularly elected and qualified members of the House hereby request that **HB 16** be discharged from the Committee on Rules, to which it was referred by the Committee on State Government, 1970, for consideration by the House as provided in the said rule.

1. John Swinford
2. W. H. DeMarcus
3. Nell G. McNamara
4. Brooks Hinkle
5. O. A. Durham
6. J. M. Salyers
7. T. P. Reynolds
8. Dwight Wells
9. R. K. Keith
10. James Alexander
11. Hershel Brown
12. Lavey Floyd
13. Raymond Collins
14. Glenn White
15. James I. Osborne
16. Russell Reynolds
17. Tommy Reed
18. Archie Brown
19. Gene Huff
20. Darvin Allen
21. J. White
22. Denver Knuckles
23. Ralph Mitchell
24. Herman Rattliff
25. Jon E. Rickert

This petition dated February 10, 1970

As directed by **HR 20,** Representative Schmidt read a report of the Subcommittee of the Committee on State Government in regard to the investigation of state contracts involving the use by state agencies of foreign-made products. The report is as follows:

MEMORANDUM

TO: Members of the House of Representatives

FROM: State Government Subcommittee
Representative Arthur L. Schmidt, Chairman
Representative Peter Conn, Member
Representative Walter Davis, Member

SUBJECT: State Government Subcommittee Report on Foreign-Made Products Installed in the House Chamber

DATE: February 11, 1970

House Resolution No. 20 introduced on January 20, 1970, directed the Committee on State Government to investigate state contracts involving the use by state agencies of foreign-made products to determine if savings resulted from the use of such products. Representative Jon Rickert, Chairman of the State Government Committee, appointed the sub-committee to investigate and report to the House on Resolution No. 20.

The Committee has met and after long and exhaustive investigation has concluded the following:

On February 20, 1964, Representative Harold DeMarcus introduced House Resolution No. 55, requesting the purchase of a new chair for the Speaker. The chair in use by the Speaker was in need of repair because of the manner in which it leaned to one side. Representative DeMarcus stated that he did not fear for the Speaker's safety, but believed the Speaker would better be able to see members of the minority party if his chair were straight. The Committee noted that the present Speaker was not the Speaker in 1964.

On February 24, 1964, Representative Carl Bamberger and Representative Arthur Schmidt introduced House Resolution No. 58. This resolution requested the Legislative Research Commission and the Department of Finance to undertake the reconditioning of the Legislative Chambers.

On January 31, 1969, the Legislative Research staff prepared a program allotting money for the engineering of a new sound system in the House and Senate Chambers. At the March 17, 1969, Legislative Research Commission meeting, the proposed program was authorized.

Mr. James T. Fleming, Director of the Legislative Research Commission upon orders of the Legislative Research Commission requested the Commissioner of Finance to appoint a professional engineer to prepare plans and specifications for a new sound system for the House and Senate Chambers.

The Finance Department selected Skaggs and Fisher Consulting Engineers, Lexington, Kentucky, for this work. After meeting with the Legislative Research Commission to determine all conditions relative to the desired requirements, the plans and specifications were prepared based on high performance

standards for modern equipment without the use of brand names. No manufacturer was denied the right of bidding as long as his equipment met the specified specifications. This project was bid in accordance with the purchasing law and regulations. Twelve firms, known to be active in bidding work in this locality were invited to bid, plus advertising in two newspapers.

Department of Finance, Division of Purchases, Invitation #S-1072-70, issued on October 17, 1969, set forth the instructions for bidders. The invitation required that sealed bids be received no later than October 31, 1969.

Three bids were received. The bidders were

Bidder	Base Bid Amount	Major Equipment
Ken Smith Co., Inc. Lexington, Kentucky	$11,300.00	Dukane
Engineering Devices Co. Lexington, Kentucky	$21,800.00	Altec
Technical Service Corp. Louisville, Kentucky	$23,150.00	Altec

The low bid of $11,300.00 resulted in a savings to the Commonwealth of $10,500.00 over the second bid. It should be noted that the low bidder installed the original sound system in the House in 1955 and in the Senate in 1959. His background knowledge of the conditions at the site were particularly responsible for the savings received by the Commonwealth. This bid, including the material list and the qualifications of the bidder was received by the engineering firm and the Department of Finance. The equipment was judged by all to fully meet the conditions of bidding and technical specifications and the award was issued.

The microphones in question are "AKG-503" and are sold in the United States by the North American Phillips Company, Incorporated which is the United States Division of Phillips Radio Company, the world's largest electronic, electrical manufacturer with branch operations in all major countries of the world. These microphones conform to the standards of the specifications and is in wide use in the Radio-TV industry. There is no known regulation to prohibit the purchase of foreign-made

material. Some of the microphones in similar systems with the Dukane nameplate may have been manufactured outside the United States. It is considered common practice in the industry to have component and complete assemblies manufactured both in and outside of the United States and relabeled or placed into a system. Such firms as RCA, Motorola and General Electric engage in this practice. If either of the other bidders were awarded a contract we could not be certain of having 100% made in the United States of America system.

It has been concluded by the subcommittee that the invitation and the award was handled in accordance with all statutory and finance regulations, and resulted in a substantial savings to the taxpayers of Kentucky.

State Government Subcommittee
Arthur Schmidt, Chairman
Peter Conn
Walter Davis

Representative Conn moved the adoption of the Report of the Subcommittee on State Government as directed by **HR 20.** Agreed.

Orders of the Day

HB 102 taken from Orders of the Day and ordered read at length for the third time. Representative Lewis moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 55—Alexander, Baker, Blandford, Blume, Blythe, Edward G. Brown, Carter, Chapman, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Durham, L. T. Hardin, Head, Holloway, Huff, Isler, Keene, Keith, Kenton, Kidd, Knuckles, Louden, McBride, McCann, Massey, Mershon, Mitchell, Murphy, Osborne, Peak, Prather, Priddy, Rattliff, Russell Reynolds, Rickert, Roberts, Salyers, Schmidt, Siemens, Simmons, Stuart, Tobin, Van Horn, Wells, West, Wheeler, John E. White, Wible, Wright, Wyatt. Nays 25—Allen, Arnett, Bartley, Bleemel, A. Brown, Clapp,

Clarke, Dorris, Graves, J. Hardin, Hughes, Kessinger, King, Lewis, Lovins, McBrayer, Nett, Parish, Paxton, Pollitte, Ruh, Sharpe, Swinford, Wenz, G. White.

HB 102 was passed and the title agreed to.

Representative Keith moved that the vote by which **HB 102** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Lewis moved that consideration of **HB 159** and **HB 192** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 178 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 92—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 178 was passed and the title agreed to.

Representative Carter moved that the vote by which **HB 178** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 300 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 86—Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Keene, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBride, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 300 was passed and the title agreed to.

Representative Ruh moved that the vote by which **HB 300** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 255, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Baker moved the adoption of the Committee Amendment to **HB 255.** Agreed.

On the roll call the vote was yeas 93—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, McBrayer, McBride, McCann, McKinney, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin,

Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 255 as amended was passed and the title agreed to.

Representative Paxton moved that the vote by which **HB 255** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 256 taken from Orders of the Day and ordered read at length for the third time. Representative Paxton moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 93—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Carter, Chapman, Clapp, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 256 was passed and the title agreed to.

Representative Paxton moved that the vote by which **HB 256** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 36 taken from Orders of the Day. Representative Paxton moved that it be placed upon its passage. Agreed.

Representative Graves moved the adoption of **HR 36.** Agreed.

HR 36, A RESOLUTION requesting that the Superintendent of Public Instruction and the State Board of Education remove the period of January 6 through 16, 1970, from the operation of the provisions of KRS 158.070.

WHEREAS, the Commonwealth of Kentucky has been subjected to such severe weather, creating hazards for school buses, and, in some instances, coupled with lack of adequate heating facilities for school buildings, resulting in the closing of many schools throughout the Commonwealth for several days; and

WHEREAS, under the present interprelations of KRS 158.070, which allows schools to close for a total of five days for reasons of disaster, without requiring those days in school to be made up; and

WHEREAS, it is probable that the schools of the Commonwealth will be closed during the 1969-70 for other disaster days; and

WHEREAS, the make-up days will extend the school year far beyond its normal limits if relief is not granted;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

(1) That the Superintendent of Public Instruction and the State Board of Education be, and they hereby are, requested to declare the period of January 6 to 16, 1970, a period of extraordinary weather and remove those days from the operation of the disaster day provisions of KRS 158.070, with the result that any days that schools were closed during that period will not have to be made up by the pupils at the end of the 1969-70 school year.

(2) That the Clerk of the House of Representatives be and he is hereby directed to send copies of this resolution to the Superintendent of Public Instruction.

Representative Paxton moved that consideration of **HB 327**, with Committee Amendment attached thereto, be deferred and that it retain its position in Orders of the Day. Agreed.

Calendar

HB 66, HB 142, HB 150, HB 158, HB 209 and **HB 365** taken from the Calendar and Ordered read at length for the second

time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Announcements

The Clerk announced the following meetings:

Education: Monday, February 16, 1970, 1:30 p.m., Room 401.

Joint Senate and House Education Committee: Thursday, February 12, 1970, 10:00 a.m. — 1:00 p.m., House Chamber, (Hearing on **HB 198** and **SB 128**)

Business Organizations and Professions: Tuesday, February 17, 1970, 11:30 a.m., Room 402, to report **HB 215**.

Labor and Industry: Wednesday, February 11, 1970, on adjournment, Room 402.

The Clerk announced the following Bills and Resolutions were posted for consideration:

Business Organizations and Professions: **HB 63, HB 248, HB 254, HB 283, HB 304, HB 408, HB 427, HB 254.** (Room 402, February 11, 1970, 11:00 a.m.)

Labor and Industry: **HB 177, HB 225, HB 297.** (Room 402, February 11, 1970, on adjournment)

Cities: **HB 288.** (Room 401, February 19, 1970, 11:00 a.m.)

Judiciary: **SB 147, HB 77.** (Room 404, February 11, 1970, on adjournment)

Highways and Traffic Safety: **HB 273, HB 397, SB 125.** (Room 401, February 11, 1970, on adjournment)

Agriculture and Natural Resources: **HB 261, HB 311, HCR 43, HJR 45.** (Room 401, February 11, 1970, 11:00 a.m.)

Public Utilities and Transportation: **HB 56, HB 194, HB 309, HB 197, HB 227, HB 234.** (Room 402, February 11, 1970, 9:30 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Business Organizations and Professions: **HB 189, HB 215.**

Highways and Traffic Safety: **HB 105.**

Representative Blume moved that the Rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 441, by Representatives Blume and Prather: AN ACT relating to income tax.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Wednesday, February 11, 1970.

On the roll call the vote was yeas 66—Alexander, Arnett, Baker, Bleemel, Blythe, Archie Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kidd, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, Mershon, Mitchell, Nett, Parish, Peak, Pollitte, Prather, Priddy, Russell Reynolds, Rickert, Salyers, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 10—H. Brown, Kenton, King, Kleier, May, Ray, Reed, Schmidt, Siemens, Yocom.

The motion to adjourn was adopted.

WEDNESDAY, FEBRUARY 11, 1970

THIRTIETH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Chester Pike, First Church of the Nazarene, Frankfort.

The roll was called. All present except Representatives Carter, W. Davis, Lindsay, McGill, R. Reynolds, W. J. Reynolds and J. White.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 10, 1970, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SB 112, SB 198, SB 180, SB 197, SB 139, SB 149, SB 122, SB 114** and **HB 22.**

Introduction of Bills and Resolutions

HB 443, by Representatives Collins, Durham, Sharpe, Wheeler, Simmons, Wright, Blythe and Osborne: AN ACT relating to public employes.

HB 444, by Representative Wells: AN ACT relating to public roads.

HB 445, by Representative Wible: AN ACT relating to city tax liens.

HB 446, by Representative Peak: AN ACT relating to jury duty.

HB 447, by Representative Freeman: AN ACT relating to coal mine safety.

HB 448, by Representative Freeman: AN ACT relating to logging operations.

HB 449, by Representative Freeman: AN ACT relating to water resources.

HB 450, by Representative Wells: AN ACT relating to teachers' salaries.

HB 451, by Representatives Wells, Wenz, Keene and McNamara: AN ACT relating to maximum school ad valorem taxes.

HB 452, by Representatives Wells, Wenz, Keene and McNamara: AN ACT relating to city and county taxes.

HB 453, by Representative Kidd: AN ACT relating to the Kentucky Employes Retirement System.

HB 454, by Representative Head: AN ACT relating to grain dealers.

HB 455, by Representative Wible: AN ACT providing for licensing of electricians and electrical contractors.

HB 456, by Representatives Yocom, Wright and Siemens: AN ACT relating to credits for license fees.

HB 457, by Representatives Dorris and Simmons: AN ACT changing the classification of the City of Adairville in Logan County.

HB 458, by Representatives May, Deskins, Pollitte, Durham and McNamara: AN ACT relating to widow's exemptions.

HB 459, by Representatives Knuckles, West and Blythe: AN ACT relating to motor vehicle registration fees.

HB 460, by Representatives Swinford, Baker and Stuart: AN ACT relating to banks and banking.

Report of Committees

The Committee on Business Organizations and Professions reported **HB 63** with Committee Amendment attached thereto, **HB 408, HB 304** and **HB 254** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 63, AN ACT relating to Professional Engineers and Land Surveyors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 322.020 of the Kentucky Revised Statutes is amended to read as follows:

No person shall practice or offer to practice Engineering *or Land Surveying*, or use, assume or advertise in any way any title or description tending to convey the impression that he is an Engineer or *Land Surveyor*, unless he has been licensed as such under this chapter.

Section 2. Section 322.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) Compliance with the requirements of any one of paragraphs (a), (b) and (c) of this subsection shall qualify an applicant for a license:

(a) Graduation from an approved engineering curriculum of four years or more in a school or college approved by the board as of satisfactory standing, and a specific record of an additional four years or more of experience in engineering work of a character satisfactory to the board. The record of experience shall indicate that the applicant is competent to practice engineering. In counting years of experience, the board may give credit, not in excess of one year, for satisfactory graduate study in engineering.

(b) Successfully passing a written, or written or oral, examination designed to show knowledge and skill approximating that attained through graduation from an approved four-year engineering curriculum, and a specific record of eight years or more of experience in engineering work of a character satisfactory to the board. The record of experience shall indicate that the applicant is competent to practice engineering.

(c) A specific record of twelve years or more of lawful practice in engineering work of a character satisfactory to the board. The record of experience shall indicate that the applicant is qualified to design or to supervise construction of engineering works. To qualify under this paragraph the applicant shall not be less than thirty years of age.

(2) In the consideration of the qualifications of applicants, engineering teaching may be construed as engineering experience.

(3) The satisfactory completion of each year of an approved curriculum in engineering in a school or college approved by the board as of satisfactory standing, without graduation, shall be considered as equivalent to a year of experience required by paragraph (b) of subsection (1). Graduation in a curriculum other than engineering from a college or university of recognized standing may be considered as equivalent to two years of experience required by paragraph (b) of subsection (1), but no applicant shall receive credit for more than four years of experience because of undergraduate educational qualifications.

(4) The mere execution as a contractor of work designed by an engineer or the supervision of the construction of such work as a foreman or superintendent shall not be considered practice in engineering.

(5) Any person having the necessary qualifications prescribed in subsection (1) of this section shall be eligible for a license although he may not be practicing his profession at the time of making his application.

(6) This section shall not apply after June 30, 1972.

Section 3. A new section of Chapter 322 of the Kentucky Revised Statutes is created to read as follows:

(1) Compliance with the requirements of either paragraph (a) or paragraph (b) of this subsection shall qualify an applicant for a license, entitling him to offer engineering services to the public and to certify engineering documents.

(a) Graduation from an approved engineering curriculum of four years or more in a school or college approved by the board as of satisfactory standing, successfully passing a written, sixteen-hour examination to be administered by the board, and a specific record of an additional four years or more of experience in engineering work of a character satisfactory to the board and indicating that the applicant is competent to practice engineering.

(b) Graduation from an approved curriculum in a related science of four years or more in a school or college approved by

the board as of satisfactory standing, successfully passing a written, sixteen-hour examination to be administered by the board, and a specific record of an additional six years or more of experience in engineering work of a character satisfactory to the board and indicating that the applicant is competent to practice engineering.

(2) Graduates of an engineering curriculum approved by the board as of satisfactory standing may take the sixteen-hour written examination required by subsection (1) at any time prior to the completion, or upon completion of the experience requirement. Graduates of a curriculum in a related science approved by the board as of satisfactory standing may take the sixteen-hour written examination required by subsection (1) after completion of only two years of the experience requirement of paragraph (b) of subsection (1). By passing the written examination prior to satisfaction of the experience requirement of subsection (1), an applicant shall be entitled to a Certificate of Registration as a Professional Engineer, but shall not be entitled to offer engineering services to the public nor to certify engineering documents.

(3) The satisfactory completion of a master's degree program in engineering or a related science shall be considered as equivalent to one year of experience required by subsection (1). The satisfactory completion of a doctoral degree program in engineering or a related science shall be considered as equivalent to an additional year of experience required by subsection (1).

(4) In determining whether the experience requirement of paragraph (a) of subsection (1) has been satisfied, engineering teaching shall be considered as engineering experience.

(5) Any person having the necessary qualifications prescribed in subsection (1) of this section shall be eligible for a license although he may not be practicing his profession at the time of making his application.

Section 4. Section 322.050 of the Kentucky Revised Statutes is amended to read as follows:

No person shall be eligible for a license unless he is of good character and reputation, nor shall any person be eligible if [he has been convicted of any felony or has at any time been] proven *to be* mentally incompetent.

Section 5. Section 322.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) The practice of, or the offer to practice, engineering by professional engineers licensed under this chapter through a corporation, firm, partnership or association, and the practice of, or the offer to practice, engineering by a corporation, firm, partnership or association through professional engineers licensed under this chapter, is permissible after a full and complete compliance with the requirements of the provisions of this section.

(2) A corporation, firm, partnership or association seeking to practice or offer to practice engineering pursuant to subsection (1) of this section shall file with the Board an application for a Certificate of Authorization listing the names and addresses of all officers, directors, shareholders, partners, and licensed engineers of said corporation, firm, partnership or association, together with any other information required by the Board. A Certificate of Authorization shall expire on the last day of June following its issuance and shall require annual renewal. An application for renewal shall list the names and addresses of all officers, directors, shareholders, partners, and licensed engineers of said corporation, firm, partnership or association, together with any other information required by the Board. Any changes in the information provided on the application for a Certificate of Authorization, or a renewal thereof, must be reported to the Board within thirty days after such changes take effect.

(3) A corporation seeking to practice or offer to practice engineering pursuant to subsection (1) of this section shall designate on its application for a Certificate of Authorization, or a renewal thereof, at least one of its principal officers as the person, or persons, responsible for the engineering activities and decisions of said corporation. The person, or persons, so designated must be professional engineers licensed under this chapter.

(4) No corporation, firm, partnership or association shall be relieved of responsibility for the conduct or acts of its officers, directors, partners, agents, or employes by reason of compliance with the provisions of this section. No professional engineer licensed under this chapter shall be relieved of responsibility for engineering services performed by him by reason of

his relationship to a corporation, firm, partnership or association which has complied with the provisions of this section.

(5) Reports, plans, final drawings, specifications, and other engineering documents involving the practice of engineering which have been prepared for the use of a corporation, firm, partnership or association holding a Certificate of Authorization, or for delivery by it to any person or to any official for public recordation within this state, shall be dated, signed, and sealed by the professional engineer who prepared or approved them.

(6) A certificate of registration to practice professional engineering may not be held by a corporation, firm, partnership or association. [No company shall be licensed. Admission to practice shall be determined upon the basis of individual, personal qualifications.]

Section 6. Section 322.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) An applicant failing an examination may apply for reexamination after six months and shall be reexamined without payment of any additional fee. Reexamination after the first reexamination shall be granted upon payment of a fee determined by the Board.

(2) No applicant shall be permitted to take an examination for registration under this chapter after failing four times, except at the discretion of the Board.

Section 7. Section 322.100 of the Kentucky Revised Statutes is amended to read as follows:

The license fee for *Professional* Engineers shall not exceed twenty-five dollars, *and the certification fee for corporations, firms, partnerships and associations shall not exceed one hundred dollars. Of this amount, a sum not exceeding three-fifths of the amount of the fee.* [fifteen dollars] shall accompany the application, the remainder to be paid at the time or times determined by the Board. When a certificate of qualification issued by the National Bureau of Engineering Registration is accepted as evidence of qualification, the total license fee shall not exceed ten dollars. If the board refuses to issue a license *or Certificate of Authorization* to any applicant, the initial fee deposited shall be retained as an application fee.

Section 8. Section 322.120 of the Kentucky Revised Statutes is amended to read as follows:

The Board may, upon application and payment of a fee not exceeding *$25.00* [ten dollars], issue a license as a *Professional Engineer,* to any person who holds a certificate of qualification or registration issued to him by proper authority of the National Council of State Boards of Engineering Examiners, the National Bureau of Engineering Registration or any state, *territory or possession* of the United States, *or District of Columbia,* [or any county] if the requirements under which the certificate of qualification or registration was issued do not conflict with this chapter and are of a standard not lower than those provided in KRS 322.040.

Section 9. Section 322.160 of the Kentucky Revised Statutes is amended to read as follows:

The secretary-treasurer of the board shall notify every licensee of the date of the expiration of his license and the amount of the fee required for its renewal for one year. Such notice shall be mailed at least one month in advance of the expiration date. *Annual renewal fees shall not exceed twenty-five dollars for professional engineers or fifty dollars for corporations, firms, partnerships and associations.* Renewals may be effected at any time during June [by the payment of a fee not exceeding ten dollars]. The failure of any licensee to renew his license annually in June shall not deprive him of the right of renewal, but the fee to be paid for the renewal of a license after June shall be increased ten percent for each month or fraction of a month that payment of renewal is delayed. But the maximum fee for delayed renewal shall not exceed twice the normal renewal fee. Any person who fails to renew his license within one year after expiration shall furnish the board with satisfactory evidence that he is of good character and reputation and has continued to uphold the ethics of the profession.

[(2) All persons who are required to pay renewal fees to the board as licensed engineers shall not be required to pay such fees during the time such persons are actively serving in the Armed Forces of the United States. Any person who has previously paid any renewal fee covering a period during which he was actively serving in the Armed Forces of the United States shall,

upon filing with the board a copy of his discharge, be granted a renewal license without the payment of any fee. The free renewal shall be for as many license years as were served by the licensee in the Armed Forces and which were covered in whole or in part by the previous payment of a renewal fee.]

Section 10. Section 322.180 of the Kentucky Revised Statutes is amended to read as follows:

The Board *shall have the power to suspend, refuse to renew, or* [may] revoke the license of *any registrant, to reprimand any registrant, or to place any registrant on probation,* [any person] who is found guilty *by the board* of:

(1) The practice of any fraud or deceit in obtaining a license; [or]

(2) Any gross negligence, incompetence or misconduct in the practice of engineering as a licensed engineer; [.]

(3) Having been convicted by a court of law of a felony involving moral turpitude;

(4) Violation of the Code of Ethics which has been adopted by the board.

Section 11. Section 322.190 of the Kentucky Revised Statutes is amended to read as follows:

Any person *or any organization* may prefer charges *against licensee* of fraud, deceit, gross negligence, incompetence, [or] misconduct, [against any licensee] *prior conviction of a felony involving moral turpitude, or violation of the Code of Ethics.* The charges shall be in writing and shall be sworn to by the person making them [.] *or by the principal officer of the organization making them.* They shall be filed with the Secretary-Treasurer of the Board.

Section 12. Section 322.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) All charges, unless dismissed by the board as unfounded or trivial, shall be heard by the board within three months after the date on which they are preferred. The time and place of the hearing shall be fixed by the board, and a copy of the charges, together with a notice of the time and place of the

hearing, shall be personally served on or mailed to the last known address of the licensee at least thirty days before the date fixed for the hearing.

(2) At any hearing, the accused may appear personally and by counsel, cross-examine witnesses appearing against him and produce evidence and witnesses in his own defense. If, after the hearing, *six* [four] or more members of the Board vote in favor of finding the accused guilty, the Board may revoke his license, *refuse to renew his license,* suspend the same for such length of time as *the Board* [they may in the exercise of a sound discretion] may deem to be reasonable, [or] place him on probation for such length of time and under *such conditions as the Board may deem to be reasonable or reprimand him.*

Section 13. Section 322.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) The State Board of Registration for Professional Engineers and Land Surveyors shall consist of seven appointed members and the Dean of the College of Engineering of the University of Kentucky *or University of Louisville,* who shall be an ex officio member of the board.

(2) The term of each member of the board shall be four years. Each member shall hold office until the expiration of the term for which he is appointed, or until a successor has been appointed and has qualified.

(3) Every member shall, before beginning his term of office, file with the Secretary of State his written oath for the faithful discharge of his official duties.

(4) The consecutive terms of office of any appointed member shall be limited to two four year terms. This limitation shall apply only to those persons appointed to the Board after December 31, 1971.

Section 14. Section 322.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Governor shall appoint two members of the board each year, with the exception of *1970* [1966 when he shall appoint four members for terms of one, two, three and four years,

respectively,] and every fourth year thereafter [,] when he shall appoint one member [.] *only*.

(2) Every member of the board shall receive a certificate of his appointment from the Governor.

(3) Every vacancy shall be filled for the unexpired term by appointment of the Governor.

Section 15. Section 322.280 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Board shall hold at least *four* [two] regular meetings each year. Special meetings shall be held whenever the By-Laws provide. Notice of all meetings shall be in the manner provided by the By-Laws.

(2) *Five* [three] members shall constitute a quorum but action shall not be considered taken upon any question unless at least *four* [three] votes in accord.

Section 16. Section 322.330 of the Kentucky Revised Statutes is amended to read as follows:

The secretary-treasurer of the board shall:

(1) Receive and account for all money collected under this chapter and pay it into the State Treasury.

(2) Publish, during July of *alternate years* [each year], a roster showing the names and places of business of all licensed engineers. Copies of the roster shall be mailed to each licensed engineer, filed with the Secretary of State and furnished to the public upon request.

Section 17. Section 322.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) If it shall come to the attention of the board, either by written complaint filed and signed by any adult citizen or through such sources as the board may in its discretion deem to be reliable, that any licensed land surveyor has procured his license and registration as the result of any fraud, deceit or false statement made in his application, or in any document subsequently filed to which he shall have affixed his seal or signature, or in any oral testimony subsequently given in support of such application or

that he has been guilty of any gross negligence, incompetence, *violation of the code of ethics adopted by the Board* or other misconduct in connnection with the practice of land surveying or has been convicted of any felony or crime involving moral turpitude, the board may revoke the license and registration of such person or suspend the same for such length of time as the board may deem reasonable in the exercise of its sound discretion.

(2) All proceedings instituted and conducted under the preceding subsection shall conform to the procedures set forth in KRS 322.190 to 322.220, inclusive.

The Committee Amendment to **HB 63,** is as follows:

Amend printed copy of House Bill 63 on page 10, line 10, by: inserting the word "any" after the word "against",

and on page 11, line 15, by
inserting the word "and" after Kentucky and before the word "or".

HB 408, AN ACT relating to the licensing of bingo.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be Chapter 238 of the Kentucky Revised Statutes, a new section whereof is created to read as follows:

This Act shall be known as and may be cited as the "Bingo Licensing Act."

Section 2. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act:

(1) "Commissioner" shall mean the Commissioner of Revenue;

(2) "Organization" shall mean any organization licensed to hold, operate or conduct games under this Bingo Licensing Act;

(3) "Person" shall mean not only a natural person but also any partnership, joint venture, association, corporation or any other legal entity;

(4) "Premises" shall mean any land, building, enclosure or part thereof used for the purpose of operating or conducting games under the Bingo Licensing Act;

(5) "Rentor" shall mean and include the owner, lessor and supplier of premises furnished or supplied to, or used by, an organization for the purpose of holding, operating or conducting games under the Bingo Licensing Act;

(6) "Rental" shall mean the amount paid or payable by an organization to a rentor for the use of premises including janitorial services, tables, chair and other furnishings and fixtures rented, furnished or supplied to said organization for the purpose of holding, operating or conducting games under this Bingo Licensing Act;

(7) "City" shall mean any incorporated city in a county having a population of 75,000 persons or more.

Section 3. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

It shall be the duty of the Commissioner of Revenue to supervise the administration of the Bingo Licensing Act and to adopt, amend and repeal rules and regulations governing the issuance and amendment of licenses thereunder the holding, operating and conducting of bingo games under such licenses which shall have the force of law and shall be binding upon all cities issuing licenses under this Act and upon all licensees thereunder to the end that such licenses shall be issued to qualified licensees only and that said bingo games shall be fairly and properly conducted for the purposes and in the manner in which this Act prescribes and to prevent the bingo games authorized to be conducted by this Act from being conducted for commercial purposes instead of for the purposes authorized in this Act, and in order to provide uniformity in the administration of this Act throughout the state, the commissioner shall prescribe forms of applications for licenses, licenses, amendment of licenses, reports of the conduct of games and other matters incident to the administration of this Act.

Section 4. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

A copy of every rule and regulation adopted and promulgated by the Commissioner of Revenue shall be filed in the office of the Legislative Research Commission, pursuant to Chapter 13 of the Kentucky Revised Statutes, before it shall become effective and copies thereof shall be made available to the various cities operating under this Act.

Section 5. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall conduct investigations of the administration of this Act in such of the cities of this state as he shall deem desirable which shall serve to furnish a cross section of all of the cities operating under this Act in this state and shall receive and investigate complaints as to violations and evasions of this Act in any city or cities.

Section 6. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall have power to suspend and revoke licenses, after hearing, for violation of this Act under which the license is issued or for violation of any provision of the rules and regulations adopted and promulgated by the commissioner pursuant hereto.

Section 7. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall have power to institute prosecutions, in a court of competent jurisdiction, for the punishment of violations of this Act.

Section 8. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall hear appeals from the determinations and action of the city governing bodies in connection with the refusal to issue licenses and the suspension and revocation of licenses in the manner prescribed in this Act and the action and determination of the commissioner upon any such appeal shall be binding upon the city governing body and all parties to the appeal.

Section 9. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

It shall be the duty of the commissioner to carry on continuous study and investigation of the operation of the Bingo Licensing Act and the administration thereof by the several cities of the state, throughout the state, for the purpose of ascertaining from time to time any defects in the Act, which may be discovered, by reason whereof any abuses in the administration thereof and any evasions of the terms thereof may arise or be practiced, and for the purpose of formulating and recommending improvements and changes in this Act and in any other laws of the state, which the commissioner may determine to be desirable to prevent such abuses and evasions and to guard against the use of said laws as a cloak for the carrying on of organized gambling and crime, and to insure that said laws shall be in such form and be so administered as to serve the true purposes for which they were enacted, namely the operation and conduct of the games therein described for educational, charitable, patriotic, or religious uses only.

Section 10. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall make a continuous study and investigation also of the operation and administration of similar laws which may be in effect in other states of the United States, and of any literature on the subject which from time to time may be published or be available.

Section 11. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The commissioner may hold investigations and hearings and shall have power to compel the attendance of witnesses, the production of books and documents relating to transactions connected with the holding and conducting of bingo games under this Act, and transactions, relating thereto, by the issuance of subpoena signed by the commissioner, which may be served by any competent officer.

Section 12. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

No person shall be excused from testifying or producing any book or document in any investigation or hearing, when ordered so to do by the commissioner holding the same, upon the ground

that testimony or documentary evidence required of him may tend to incriminate or subject him to penalty or forfeiture, but no person shall be prosecuted, punished, or subjected to any penalty, or forfeiture on account of any matter or thing concerning which he shall, under oath, have testified to or in support of which he has produced documentary evidence, except that he shall not be exempt from prosecution or punishment for any perjury committed by him in his testimony.

Section 13. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

If a person subpoenaed to attend in any such investigation or hearing fails to obey the command of the subpoena without reasonable cause, or if a person in attendance in any such investigation or hearing refuses, without lawful cause, to be examined or to answer a legal or pertinent question or to exhibit any book, account, record or other document when ordered so to do by the commissioner holding such investigation or hearing, the commissioner may apply to any judge of the circuit court, upon proof by affidavit of the facts, for an order returnable in not less than two or more than ten days directing such person to show cause before the judge why he should not comply with such subpoena or such order.

Section 14. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

Upon return of the order, the judge before whom the matter shall come on for hearing shall examine such person under oath, and if the judge shall determine, after giving such person an opportunity to be heard, that he refused without legal excuse to comply with such subpoena or such order of the commissioner holding such investigation, the judge may order such person to comply therewith forthwith and any failure to obey the order of the judge may be punished as a contempt of the circuit court.

Section 15. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

A witness shall be privileged from arrest, in all civil actions and no other, during necessary attendance before the commissioner, at any place required by subpoena previously duly served, and during his going to and returning therefrom.

Section 16. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The commissioner is authorized to incur such necessary expenses, and engage clerical and stenographic assistants and investigators, as he may deem necessary to the proper performance of the purpose of this Act.

Section 17. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

Each city, in which the Bingo Licensing Act shall be adopted, shall file with the commissioner a copy of each ordinance enacted pursuant thereto within ten days after the same is adopted, and on or before February 1 of each year, and at any other time or times which the commissioner may determine, shall report to the commissioner of the number of licenses issued therein under this Act, the names and addresses of the licensees, the aggregate amount of license fees collected, the names and addresses of all persons detected of violation of this Act or of the rules and regulations adopted by the commissioner pursuant hereto, and of all persons prosecuted for such violations and the result of each such prosecution, and the penalties imposed therein, during the preceding calendar year, or the period for which the report is required, which report may contain any recommendations for improvement of this Act or the administration thereof, which the governing body of the city shall deem to be desirable.

Section 18. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall report to the Governor annually with his recommendations, if any, and if in the meantime he shall discover any matters which shall require change in this Act, in order to prevent abuses and evasions thereof or rectify undesirable conditions in connection with the administration thereof.

Section 19. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

It shall be lawful for the governing body of any city in a county having a population of 75,000 persons or more, at any time after this Act shall become operative within such city and except when prohibited by this Act, to license bona fide organi-

zations or associations of veterans of any war in which the United States has been engaged, churches or religious congregations and religious organizations, charitable, educational and fraternal organizations, civic and service clubs, hospitals, and volunteer fire departments, to hold and operate games, restricted to, the specific kind of game commonly known as bingo played for prizes with cards bearing numbers or other designations, five or more in one line, the holder covering numbers, as objects, similarly numbered, are drawn from a receptacle and the game being won by the person or persons who first cover a previously designated arrangement of numbers on such a card, and wherein the cards or tickets or rights to participate in such games are made available strictly on a voluntary donative basis and no cash payment or other consideration is required as a prerequisite to participate and by conducting the games accordingly, when the entire net proceeds of such bingo games are to be devoted to educational, charitable, patriotic, or religious uses, and for any such organization, association, church, congregation, society, club, hospital or fire department, when so licensed, to hold, operate and conduct such games by its active members pursuant to this Act and such license, and under such conditions and regulations for the supervision and conduct thereof as shall be prescribed by rules and regulations duly adopted from time to time by the Commissioner of the Department of Revenue not inconsistent with the provisions of this Act, but only when the entire net proceeds thereof are devoted to the uses aforesaid and for any person or persons to participate in and play such bingo games conducted under any such license.

Section 20. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

(1) Each applicant for such a license shall file with the clerk of the city a written application therefor in the form prescribed in rules and regulations promulgated by the commissioner duly executed and verified, in which shall be stated the names and address of the applicant together with sufficient facts relating to its incorporation and organization to enable the governing body of the city to determine whether or not it is a bona fide organization or association of veterans of any war in which the United States has been engaged or a church or a religious congregation or religious organization or a charitable education or fraternal organization, or a civic or service club, or a volunteer

fire department; the names and addresses of its officers; the specific kind of games intended to be held, operated and conducted by the applicant and the place or places where, the date or dates and the time or times when, such games are intended to be held, operated and conducted, by the applicant, under the license applied for; the items of expense intended to be incurred or paid in connection with the holding, operating and conducting of such games and the names and addresses of the persons to whom, and the purposes for which, they are to be paid; the specific purposes to which the entire net proceeds of such games are to be devoted and in what manner; that no commission, salary, compensation, reward or recompense will be paid to any person for holding, operating or conducting such game or games or for assisting therein except as otherwise provided in this Act and that no prize or aggregate of prizes will be offered and given under said license of a value in excess of the sum or value authorized to be offered and given by this Act and a description of all prizes to be offered and given in all such games to be held, and prizes shall be claimed only by persons physically present and personally participating in the game or games operated and conducted under such license and such other information as shall be prescribed by such rules and regulations.

(2) In each application there shall be designated an active member or members of the applicant organization under whom the game or games described in the application are to be held, operated and conducted and to the application shall be appended a statement executed by the applicant and by the member or members so designated, that he or they will be responsible for the holding, operation and conduct of such games in accordance with the terms of the license and the provisions of the rules and regulations governing the holding, operation and conduct of such games and of this Act, if such license is granted.

(3) In the event that any premises, upon which any such game is to be held, operated or conducted or which is to be used for any other purpose in connection with the holding, operating or conducting thereof, is to be leased from any person, persons or corporation, a written statement shall accompany the application signed and verified under oath by such person or persons or executed and verified under oath on behalf of such corporation, stating his or its address and the amount of rent which

will be paid said premises and that such lessor or lessors, or if a corporation all of its officers and each of its stockholders who hold 10 percent or more of its stock issued and outstanding, are of good moral character and have not been convicted of a crime amounting to a felony or a misdemeanor involving moral turpitude.

Section 21. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

(1) The governing body of the city shall make an investigation of the qualifications of each applicant and the merits of each application, within fifteen days after the filing of the application, and if it shall determine that the applicant is duly qualified to be licensed under this Act to hold, operate and conduct games under the provisions of this Act and the rules and regulations governing the holding, operation and conduct thereof in the city; that the member or members of the applicant designated in the application to hold, operate or conduct the games, to hold, operate and conduct which the license is applied for, are bona fide active members of the applicant and are persons of good moral character and have never been convicted of crime; that such games are to be held, operated and conducted in accordance with the provisions of this Act and in accordance with the rules and regulations governing the holding, operation and conduct thereof and that the proceeds thereof are to be disposed of as provided by this Act, and if the governing body is satisfied that no commission, salary, compensation, reward or recompense whatever will be paid or given to any person holding, operating or conducting or assisting in the holding, operation or conduct of such game except as in this Act otherwise provided; and that no prize will be offered and given in excess of the sum or value of $1,000 in any single game, it shall issue a license to the applicant for the holding, operating and conduct of the specific kind of games applied for, accordingly, upon payment of a license fee or fees not to exceed $5 for each day upon which any game or games are to be conducted under such license.

(2) No license for the holding, operation and conduct of any game or games shall be issued under this Act which shall be effective for a period of more than one year.

Section 22. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

(1) No application for the issuance of a license shall be refused by the governing body of a city until after a hearing is held on due notice to the applicant, at which the applicant shall be entitled to be heard upon the qualifications of the applicant and the merits of the application.

(2) Any license issued under this Act may be amended, upon application made to the governing body of the city which issued it, if the subject matter of the proposed amendment could lawfully and properly have been included in the original license and upon payment of such additional license fee, if any, as would have been payable, if it had been so included.

Section 23. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

Each license shall be in such form as shall be prescribed in the rules and regulations promulgated by the commissioner and shall contain a description of the kind of games authorized to be held, operated and conducted thereunder, a statement of the name and address of the licensee, of the names and addresses of the member or members of the licensee under whom such games will be held, operated and conducted, of the number of times, or the hours during which, such games are authorized to be conducted and the place or places where and the date or dates and time or times when, such games are to be conducted and of the specific purposes to which the entire net proceeds of such games are to be devoted; if any prize or prizes are to be offered and given in cash, a statement of the amounts of the prizes authorized so to be offered and given; and any other information which may be required by said rules and regulations to be contained therein, and each license issued for the conduct of any game or games shall be conspicuously displayed at the place where the same is to be conducted at all times during the conduct thereof.

Section 24. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The governing body of any city issuing any license under this Act shall have and exercise control and supervision over all games held, operated or conducted under such license, to the

end that the same are fairly held, operated and conducted in accordance with the provisions of such license, the rules and regulations promulgated by the commissioner and the provisions of this Act governing the holding, operation and conduct of the same and such governing body and the commissioner shall have power and authority to suspend any license issued by such governing body and to revoke the same, after hearing, for any violation of any such provision, and shall have the right of entry, by their respective officers and agents at all times into any premises where any such game is being held, operated and conducted or where it is intended that any such game shall be held, operated and conducted, or where any equipment being used or intended to be used in the conduct thereof is found, for the purpose of inspecting the same.

Section 25. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

No person under the age of eighteen years shall be permitted to participate in any game or games held, operated or conducted pursuant to any license issued under this Act.

Section 26. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

No person shall hold, operate or conduct any game or games under any license issued under this Act except an active member of the organization, association, church, congregation, society, club, or fire department, to which the license is issued, and no person shall assist in the holding, operating or conducting of any game or games under such license except such an active member or a member of an organization or association which is an auxiliary to the licensee or a member of an organization or association of which such licensee is an auxiliary or a member of an organization or association which is affiliated with the licensee by being, with it, auxiliary to another organization or association and except bookkeepers or accountants as hereinafter provided, and no such game shall be conducted with any equipment except such as shall be owned absolutely or used without payment or any compensation therefor by the licensee, and no item of expense shall be incurred or paid in connection with the holding, operating or conducting of any game held, operated or conducted pursuant

to any license issued under this Act, except such as are bona fide items of reasonable amount for goods, wares and merchandise furnished or services rendered, which are reasonably necessary to be purchased or furnished for the holding, operating or conducting thereof, under any circumstances whatever; no rental shall be paid for the use of any premises for holding, operating or conducting any such game thereon or for any other purpose in connection with the holding, operating or conducting thereof unless the amount of such rental is stated in a statement annexed to the application for the license as provided in Section 20 of this Act or which is in excess of the sum stated as the rental to be charged therefor in such a statement; and no commission, salary, compensation, reward or recompense whatever shall be paid or given, directly or indirectly, to any person holding, operating or conducting, or assistant in the holding, operation or conduct of, any game so held, operated or conducted, except that reasonable compensation may be paid to callers, floormen, waitresses, bookkeepers or accountants for bookkeeping or accounting services rendered or for any other services actually rendered according to a schedule of compensation which may be prescribed by order of the commissioner.

Section 27. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

No game to be conducted under any license issued under this Act shall be advertised as to its location, the time when it is to be or has been played, or the prizes awarded or to be awarded, by means of newspapers, radio, television or sound truck, or by means of billboards, posters or handbills or any other means addressed to the general public, except an announcement may be contained in a church bulletin or other similar club bulletin, and that one sign not exceeding sixty square feet in area may be displayed on or adjacent to the premises where the game will be played and an additional similar sign may be displayed on or adjacent to the premises where the prize or prizes are displayed and additional signs may be displayed upon any fire fighting equipment belonging to any licensee, which is a volunteer fire department, in and throughout the community or communities served by such volunteer fire department.

Section 28. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

Within thirty days after the conclusion of the holding, operating and conducting of any such game the organization, association, church, congregation, society, club, hospital or fire department, which held, operated or conducted the same, and its members who were in charge thereof or upon such other periodic dates as the city ordinance may provide, shall furnish to the clerk of the city a duly verified statement showing the amount of the gross receipts derived from each game which shall include receipts from all donations and all other receipts connected with participation in said game or games, each item of expenses incurred, or paid, and each item of expenditure made or to be made, name and address of each person to whom each such item has been, or is to be paid, with a detailed description of the merchandise purchased or the services rendered therefor, the net profit derived from each such game and the uses to which such net profit has been or is to be applied and a list of prizes offered and given, with the respective values thereof and it shall be the duty of each licensee to maintain and keep such books and records as may be necessary to substantiate the particulars of each such report.

Section 29. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The governing body of the city and the commissioner shall have power to examine or cause to be examined the books and records of any organization or association, church, congregation, society, or fire department to which any such license is issued so far as they may relate to any transactions connected with the holding, operating and conducting of any game thereunder and to examine any manager, officer, director, agent, member or employe thereof under oath in relation to the conduct of any such game under any such license but any information so received shall not be disclosed except so far as may be necessary for the purpose of carrying out the provisions of this Act.

Section 30. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

Any applicant for, or holder of, any license issued or to be

issued under this Act aggrieved by any action of the governing body of the city to which such application has been made or by which such license has been issued, may appeal to the commissioner from the determination of said governing body by filing with the governing body a written notice of appeal within thirty days after the determination or action appealed from, and upon the hearing of such appeal the evidence, if any, taken before the governing body and any additional evidence may be produced and shall be considered in arriving at a determination of the matters in issue, and the action of the commissioner upon said appeal shall be binding upon said governing body and all parties to said appeal.

Section 31. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

No person or corporation

(1) lawfully conducting, or participating in the conduct of,

(2) possessing, transferring or in any manner disposing of, any cards, tickets or equipment used to participate in, or

(3) permitting the conduct upon any premises owned by him or it, any game conducted or to be conducted under any license lawfully issued pursuant to this Act, shall be liable to prosecution or conviction for violation of any provision of Chapter 436 of the Kentucky Revised Statutes, but this immunity shall not extend to any person or corporation knowingly conducting or participating in the conduct of any game under any license or otherwise, or possessing, transferring or disposing of cards, tickets or equipment used to participate in, or permitting the conduct upon any premises owned by him or it of, any game conducted under any license known to him or it to have been obtained by any such false pretense or statement.

Section 32. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The provisions of this Act shall remain inoperative in any city of a county having a population of 75,000 persons or more unless and until the same shall be adopted by the legal voters of the city as herein provided.

Section 33. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The question of the adoption of the provisions of this Act in the form set forth in Section 35 of this Act shall be submitted to the legal voters of a city, if there shall be filed with the clerk of the county not less than forty-five days prior to a primary or general election or fifteen days prior to a special election, a petition calling for the submission of the question signed by at least 15 percent of the qualified legal voters of the city as evidenced by the total number of votes cast at the then next preceding general election in such city in such manner that every registered voter may vote at such election upon said question for or against such question.

Section 34. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

In event that in any city a majority of all the votes cast both for and against the question shall be cast against the question at any election at which said question is submitted, said question may again be submitted to the legal voters of the city at a primary or general election held not earlier than the date upon which the second primary or general election, following the date of the election at which the question was submitted, is to be held, if there shall be filed with the clerk of the county not less than forty-five days prior to such primary or general election a petition requesting the submission of the same signed by at least 15 percent of the legal voters of the city as evidenced by the total number of votes cast at the then next preceding primary or general election held therein.

Section 35. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

(1) Said question to be voted upon shall be stated on the ballot without emblems and two spaces shall be left upon the right side of the ballot, one for votes favoring the proposition, to be designated by the word "Yes" and one for votes opposing it, to be designated by the word "No." The voter shall designate his vote by a cross mark placed opposite the word "Yes" or the word "No." In said election the form of the proposition shall be, "Are you in favor of adopting the 'Bingo Licensing Act', Chapter

238 of the Kentucky Revised Statutes, in the City of (name of city)?"

(2) The general election laws, including penalties for violations, shall apply to the election, except where these laws are inconsistent with this Act, and it shall be lawful for any city wherein this Act is applicable to call a special election to present the question set forth in paragraph (1) of this section.

(3) The cost of the election shall be borne by the city.

Section 36. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

If at any election at which such question is submitted as provided in this Act the majority of all the votes cast, both for and against such question, shall be cast in favor of the question, the provisions of this Act shall become operative in such city but if a majority of all such votes shall be cast against the question, the provisions of this Act shall not become operative in such city unless the same shall be again submitted and this Act shall be adopted as provided in this Act.

Section 37. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:.

If in any city in which the provisions of this Act shall have become operative in the manner hereinbefore provided there shall be filed with the clerk of the county a petition signed by at least 15 percent of the qualified legal voters of the city, as evidenced by the total number of votes cast at the then next preceding general election in such city, requesting that there shall be submitted to the voters of the city the question of rescinding the adoption of the provisions of this Act by the city, the said question shall be submitted to the legal voters of the city at the next general election succeeding the forty-fourth day following the date of the filing of said petition.

Section 38. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

(1) Said question to be voted upon shall be stated on the ballot without emblems and two spaces shall be left on the right side of the ballot, one for votes favoring the proposition, to be

designated by the word "Yes" and one for votes opposing it, to be designated by the word "No." The voter shall designate his vote by a cross mark placed opposite the word "Yes" or the word "No." In said election the form of the proposition shall be, "Are you in favor of rescinding the 'Bingo Licensing Act', Chapter 238 of the Kentucky Revised Statutes in the city of (Name of city or county)?"

(2) The general election laws, including penalties for violations, shall apply to the election, except where these laws are inconsistent with this Act.

(3) The cost of the election shall be borne by the city.

Section 39. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

If at such election a majority of all the votes cast, both for and against the recission of the adoption of this Act, in said city shall be cast in favor of the recission thereof, the said adoption of this Act shall thereby be rescinded and thereupon this Act shall cease to be operative within such city and no petition shall be received for the submission of the question of the adoption of the provisions of this Act to the voters of said city, and no such question shall be submitted to them, at any election earlier than the general election to be held in the second calendar year following the date of such election. If at such election the majority of all the votes so cast shall be against the recission of said adoption, no petition for such submission of the question of the recission of such adoption shall be received and no such question shall be again submitted at any election earlier than the general election to be held in the second calendar year following the date of such election.

Section 40. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

If any section, subsection, clause, sentence or phrase of this Act which is reasonably separable from the remaining portions of this Act is for any reason held to be unconstitutional, such decision shall not affect the remaining portions of this Act.

Section 41. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

An organization may, for the purpose of holding, operating and conducting games under the bingo licensing Act, rent or use premises not owned by such organization upon compliance with the provisions of this Act. No such rental or use shall be permitted unless the governing body of the city shall determine that the payment to be made for such rental or use of the premises is fair and reasonable and that the rentors of said premises are approved rentors under this Act.

Section 42. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

From and after the effective date of this Act, no person shall act as, or be, a rentor unless said person (1) is itself licensed to hold, operate or conduct games under the bingo licensing Act or (2) has first obtained from the governing body of any city a license as an approved rentor.

Section 43. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

A person seeking a license as an approved rentor shall file in the office of the city clerk a written application for such license. The application shall specify the premises to be rented and be in such form and require such information as the governing body of any city shall deem necessary for the purpose of effectuating the provisions of the bingo licensing Act.

Section 44. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

No license as an approved rentor shall be granted:

(1) If any person whose signature or name appears in the application is not the real party in interest or if the person so signing or named in the application is an undisclosed agent or trustee for any such real party in interest; and,

(2) Unless the governing body of any city shall determine that (a) the applicant and, (b) if the applicant is not the owner, the owners of said premises, and (c) if said applicant or the owner is a corporation, all of its officers and each of its stockholders who own 10 percent or more of its issued and outstanding stock, are of good moral character and have not been convicted

of a crime amounting to a felony or a misdemeanor involving moral turpitude.

Section 45. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

When the application shall have been examined and such further inquiry and investigation made as the governing body of any city shall deem proper and when the governing body of any city shall be satisfied therefrom that the persons named in subsection (1) of Section 44 of this Act possess the qualifications prescribed in this Act, the governing body of any city shall issue and deliver a license to such applicant as an approved rentor for the premises stated in the application upon payment by the applicant of a license fee of $100. Said license shall be valid until revoked, suspended or modified by the commissioner. The governing body of any city may issue a temporary permit to any applicant for such license pending final action on the application. Any such temporary permit shall be valid for a period not in excess of sixty days.

Section 46. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

Any license as approved rentor issued pursuant to this Act may be revoked or suspended for such period as the governing body of any city or the commissioner deems in the public interest for any of the following offenses on the part of the licensee, its agent or employes, or any person required by this Act to sign or be identified in an original application for a license:

(1) Any cause which would permit or require disqualification of the licensee from receiving a license upon original application;

(2) Fraud, deceit or misrepresentation in securing the license or in the conduct of the licensed activity or in connection with any application submitted to, or any interview, hearing or proceeding conducted, by the commissioner.

(3) Failure by the licensee to maintain a complete set of books and records containing a true and accurate account of the licensee's receipts and disbursements arising out of his activities;

(4) Failure to keep said books and records available during business hours for inspection by the commissioner and his duly designated representative until the expiration of the second calendar year following the calendar year during which occurred the transactions recorded therein;

(5) Violation of any provisions of this Act, the bingo licensing Act, or the rules and regulations adopted by the commissioner.

Section 47. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

The governing body of any city shall have the power to make and enforce such reasonable rules and regulations as it may deem necessary to effectuate the provisions of this Act and the powers conferred upon it hereunder and to prevent the circumvention or evasion thereof. Said rules and regulations may, among other things, require that all rental or use agreements be in writing and in form approved by the governing body of any city and may provide for the form of application and the information to be furnished the governing body of any city on any application for approval, but shall not impose limitations on the number of days a month the premises may be used for purposes authorized by the Act.

Section 48. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

No agreements or arrangements for the rental or use of premises shall be valid and no moneys paid by licensed organizations for such rental or use or services shall be allowable expenditures or be taken into account in determining net proceeds unless made in accordance with the provisions of this Act and of the rules and regulations adopted by the commissioner pursuant thereto.

Section 49. A new section of Chapter 238 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person participating in or conducting bingo games or aiding or abetting bingo games or leasing, owning or renting premises used for conducting bingo games which are not operated within the provisions of this Act shall be subject to the provisions of KRS Chapter 436.

(2) Any bingo game not conducted under the provisions of this Act shall be a lottery and shall be considered in violation of KRS Chapter 436.

(3) Any person signing, or aiding and abetting the signing or filing of, or conspiring to, or causing to be filed a false statement in order to conduct bingo games under the provisions of this Act shall be fined not less than $50 nor more than $500.

HB 304, AN ACT relating to alcoholic beverages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 244.100 of the Kentucky Revised Statutes is amended to read as follows:

No licensee for the sale of alcoholic beverages at retail for consumption on the premises shall employ any female for any duties with respect to the sale of alcoholic beverages for consumption on the premises except to wait upon tables, *counters or bars, to* [or] serve as cashier or usher, *or to mix alcoholic beverages by the drink.*

Section 2. Section 244.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) No distilled spirits or wine shall be sold, given away or served to females on premises licensed for the sale of alcoholic beverages by the drink, except at tables, *counters, or bars.* [where food may be served.]

[(2) Subsection (1) does not require that food be purchased or consumed with alcoholic beverages.]

HB 254, AN ACT relating to obscene matter.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (2) of Section 436.101 of the Kentucky Revised Statutes is amended to read as follows:

(2) Any person who, having knowledge of the obscenity thereof, sends or causes to be sent, or brings or causes to be

brought, into this state for sale or distribution, or in this state prepares, publishes, prints, exhibits, distributes, or offers to distribute, or has in his possession with intent to distribute or to exhibit or offer to distribute, any obscene matter is punishable by fine of not more than $1,000 plus five dollars for each additional unit of material coming within the provisions of this chapter, which is involved in the offense, not to exceed ten thousand dollars, or by imprisonment in the county jail for not more than six months plus one day for each additional unit of material coming within the provisions of this chapter, and which is involved in the offense, such basic maximum and additional days not to exceed 360 days in the county jail, or by both such fine and imprisonment. If such person has previously been convicted of a violation of this subsection, he is punishable by fine of not more than $2,000 plus five dollars for each additional unit of material coming within the provisions of this chapter, which is involved in the offense, not to exceed $25,000, or by imprisonment in the county jail for not more than one year, or by both such fine and such imprisonment. If a person has been twice convicted of a violation of this section, a violation of this subsection is punishable by imprisonment in the state penitentiary not exceeding five years. *The provisions of this section shall not apply to a motion picture operator, or assistant operator, who is employed in a motion picture theatre in connection with a motion picture show exhibited in said theatre, provided such operator, or assistant operator, has no financial interest in the motion picture theatre wherein he is employed.*

The Committee on Agriculture and Natural Resources reported **HB 261** and **HB 311** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 261, AN ACT relating to licenses issued for hunting and fishing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 150.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commissioner shall cause to be delivered to each

county clerk, not less than ten days before *July* [January] 1 of each year, unless otherwise provided, as many licenses, tags and forms as may be required, and charge each clerk for the number issued to him. On or before *July* [January] 25 of each year each county clerk shall return to the department all unused licenses, stubs and unused tags which he has received for the preceding year. The licenses and tags shall specify the [calendar] year for which they are issued and all licenses, tags and permits authorized to be issued by this chapter, whether by the department or by a county clerk, shall expire on *June 30* [December 31 of that calendar year, except fur buyers license which shall expire July 1 of each year].

(2) The department may, by regulation, provide for licenses of less than or more than a year to comply with the provisions of this Act.

Section 2. This Act shall become effective June 1, 1971.

HB 311, AN ACT relating to local agricultural fairs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 247.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Commissioner of Agriculture shall make grants of state funds to qualified local fairs to be used by them to pay premium awards for exhibits and displays of domestic livestock or other agricultural products. The grant of state funds made to any fair shall in no event exceed one-half of the amount of premiums paid out for livestock shows and agricultural exhibits and in no instance shall the allotment exceed two thousand dollars. The premiums actually awarded shall conform to those appearing on the premium list issued by the fair. Five hundred dollars of the grant may be used by the local fair board for new buildings or for improvements on old buildings to house livestock or other agriculture exhibits. No grant for such buildings shall be made until the local fair board has complied with the local fair program and qualified for the [maximum] state grant as provided in subsection (4). Such grant for facilities shall be matched by the local fair board. In no event shall the allocation for facilities

result in a decrease in the number of approved agricultural classes or premiums.

(2) There shall be a Fair Council in the Department of Agriculture. The council shall act in an advisory capacity to the commissioner in all matters pertaining to the administration of the department's fair program. It shall be called into session at such times as there are matters for its consideration. It shall meet at least twice each calendar year at Frankfort or at such other place that may be determined.

(3) The council shall be composed of the commissioner as chairman ex officio and the presidents or their designated representatives of the following state groups: Kentucky Livestock Improvement Association, Kentucky Farm Bureau Federation, Kentucky Association of Fairs and Horse Shows, Inc., the Director of Vocational Agriculture Education, and the Dean of the College of Agriculture of the University of Kentucky.

(4) To qualify for a grant of state funds, a fair shall meet standards set by the commissioner and his advisory council whose approval may be given only if the fair:

(a) Provides in its bylaws for holding an annual fair running for at least three days;

(b) Presents, through the medium of youth organizations such as 4-H Clubs, Future Farmers of America and other similar organizations, an educational program concerning the production and marketing of livestock and other related subjects;

(c) Complies with all other rules and regulations which the Department of Agriculture is hereby authorized to promulgate;

(d) Appoints one or more members to its fair board from county livestock improvement associations and county farm bureaus and selects one or more county extension agents and vocational agriculture teachers for counties served by the fair as members of the board. Wherever county livestock improvement associations and farm bureaus are in existence, appointees are to be nominated to the fair board by these organizations. Where fairs serve an area, appointments may be made from all counties within the particular area. It shall be the responsibility of the appointees to aid in establishing livestock premium lists and planning agricultural exhibits.

(5) Any fair receiving a grant of state funds shall file with the Director of Livestock Shows and Fairs in the Department of Agriculture, by December 1 of the year in which the grant is received, satisfactory proof that all state premium awards have been paid and a financial report by a certified public accountant.

The Committee on Business Organizations and Professions reported **HB 283** with the expression of opinion that the same should not pass.

The Committee on Health and Welfare reported **HB 266** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 266, AN ACT relating to public assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of KRS Chapter 205 is created to read as follows:

In any program of assistance for a person with whom a needy child lives in which grants are based on a standard of basic requirements, the amount of the grant shall not be reduced by reason of income earned from gainful employment by the person with whom the needy child lives unless the total received by the person from both employment and public assistance exceeds the standard; in this case, the amount of the grant may be reduced only by the amount by which the standard is exceeded.

The Committee on Agriculture and Natural Resources reported **HR 43** with the expression of opinion that the same should pass.

HCR 43, A CONCURRENT RESOLUTION relating to Camp Ground Reservoir.

WHEREAS, the proposed Camp Ground Reservoir will provide for better flood control in the Salt River Basin; and

WHEREAS, the proposed reservoir represents a $40 million project that will provide both flood control and recreational facilities; and

WHEREAS, the cities in Washington, Nelson, and surround-

ing counties, and the residents thereof, will have a new and dependable source of water; and

WHEREAS, the reservoir created by the proposed dam will provide new and enhanced fishing and other recreational activities and bring more revenue into the areas surrounding the reservoir; and

WHEREAS, a public hearing was held in Springfield, Kentucky on April 25th, 1967 at which there was virtually unanimous approval of the project from all present, and the United States Army Corps of Engineers has since been working toward completion of this project; and

WHEREAS, this proposed project will create a wonderful recreation opportunity for the residents of the Commonwealth, being only 45 minutes drive from Lexington, Frankfort, or Louisville and being only a short distance from the Blue Grass Parkway; and

WHEREAS, the residents of this area greatly desire the proposed dam, reservoir, and other improvements to be completed as speedily as possible;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the General Assembly of the Commonwealth of Kentucky be on record as favoring the construction of the dam and reservoir project known as Camp Ground Reservoir in the Salt River Basin area; and

Section 2. That the General Assembly does hereby request that the Corps of Engineers give every attention and bend every effort to the expeditious completion of this project; and

Section 3. That copies of this resolution be sent by registered mail to the Commanding Officer of the Louisville District of the United States Army Corps of Engineers at post office box 59 in Louisville, Kentucky, to the Commanding Officer of the United States Army Corps of Engineers in Washington, D. C. and to the members of the Kentucky delegation in the Congress of the United States.

The Committee on Health and Welfare reported **HB 251**, with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 251, AN ACT relating to the Kentucky Health and Geriatric Authority.

WHEREAS, the care and comfort of the senior citizens of the Commonwealth is of increasing concern to all Kentuckians; and

WHEREAS, the planning and construction of facilities for the care of senior citizens should be a part of the total health planning for the Commonwealth;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS 216.800 to 216.850 is created to read as follows:

Notwithstanding any other provision of law, any expenditure of funds made pursuant to KRS 216.800 to 216.850 shall be subject to the provisions of law applicable to other state agencies as defined in KRS 12.020.

The Committee Amendment No. 1 to **HB 251** is as follows:

Amend printed copy of House Bill 251 on page 1, line 1, by: deleting "216.850" and inserting in lieu thereof "216.853"

and on page 1, line 4, by deleting "216.850" and inserting in lieu thereof "216.853"

The Committee Amendment No. 2 to **HB 251** is as follows:

Amend printed copy of House Bill 251 on page 1, line 6, by: deleting the words "defined in KRS 12.020" and inserting in lieu thereof the following: "provided in Chapter 45 of the Kentucky Revised Statutes requiring submission of biennial budget estimates and requests for appropriation of funds notwithstanding the fact that revenue bonds may be issued to finance such programs".

The Committee on Health and Welfare reported **HB 171** with the expression of opinion that the same should not pass.

The Committee on Health and Welfare reported **HB 124** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 124, AN ACT relating to hospitalization of mental patients.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 202.208 of the Kentucky Revised Statutes is amended to read as follows:

(1) The court which orders any person to a hospital under the provisions of KRS 202.100 and 202.135 shall at once notify the hospital that such order has been made advising of the sex and condition of the person.

(2) When the hospital receives the notice provided for in subsection (1) it shall send a competent attendant or shall designate a competent person from the county in which the person has been ordered to the institution to convey the person to the institution, and only the actual traveling expenses of conveying any person to the institution shall be paid. Each female committed to any institution shall be accompanied by a female attendant, unless accompanied by her father, brother, husband or son.

(3) The hospital shall itemize the expenses of conveying all such persons to the institution and shall send a statement thereof to the commissioner's office, and the expenses shall be paid by the department. *Traveling expenses shall be paid in the amount of twelve cents per mile to be calculated by the nearest traveled route.*

(4) In returning any patient to the county from which he was sent, when necessary, the cost of returning him shall be paid in the same manner.

(5) Only one person shall be paid out of the State Treasury for conveying a patient.

(6) No allowance for expenses of either attendant or

patient to and from the hospital or institution shall be made unless an order of the court has been made to convey the patient to the hospital.

The Committee on Health and Welfare reported **HB 76** with the expression of opinion that the same should not pass.

The Committee on Public Utilities and Transportation reported **HB 56** with the expression of opinion that the same should not pass.

The Committee on Public Utilities and Transportation reported **HB 234** and **HB 227** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 234, AN ACT relating to motor vehicles and the registration, regulation and taxation thereof.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 138.670 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) Every motor carrier and heavy equipment motor carrier shall file with the department a corporate bond, cash bond or securities approved by the department, in the minimum amount of *one thousand* [five hundred] dollars and in a maximum amount of four month's liability for taxes imposed under KRS 138.655 to 138.725 but not to exceed fifty thousand dollars. The applicant for a license shall be the principal obligor and this state shall be the obligee. The bond shall be conditioned upon the prompt filing of true reports and the payment by the licensee to the department of all taxes levied under KRS 138.655 to 138.725, together with all penalties and interest thereon and generally upon faithful compliance with the provisions of KRS 138.655 to 138.725.

(2) If the liability upon the bond is discharged or reduced, whether by judgment rendered, payment made, or otherwise, or if in the opinion of the department any surety has become unsatisfactory or unacceptable, the department may require the licensee to file a new bond with satisfactory surety in the same

form and amount, failing which the department shall forthwith cancel the license. If a new bond is furnished by the licensee as above provided, the department shall cancel the bond for which the new bond is substituted.

(3) If, upon hearing of which the licensee shall be given ten days' notice in writing, the department decides that the amount of the existing bond is insufficient to insure payment to this state of the amount of the tax, penalties and interest for which the licensee is or may become liable, the licensee shall forthwith, upon written demand of the department, file an additional bond in the same manner and form with surety thereon approved by the department, in any amount determined by the department to be necessary, failing which the department shall forthwith cancel the license.

(4) Any surety on a bond furnished by a licensee shall be released from all liability to this state accruing on such bond after the expiration of sixty days from the date upon which the surety has lodged with the department, a written request to be released, but this request shall not operate to release the surety from any liability already accrued or which shall accrue before the expiration of the sixty-day period. The department shall promptly, on receipt of the request, notify the licensee who furnished the bond, and unless the licensee shall, before the expiration of the sixty-day period, file with the department a new bond with surety satisfactory to the department in the amount and form hereinbefore provided, the department shall forthwith cancel the license. If the new bond is furnished by the licensee as above provided, the department shall cancel the bond for which the new bond is substituted.

Section 2. Section 138.715 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) If any licensee neglects or refuses to make the return or pay the tax at the time provided in KRS 138.685, a penalty of 20 percent of the tax and interest at 6 percent per annum from the date when due shall be paid on [both] the tax [and the penalty].

(2) If any licensee subject to the penalty provided in subsection (1) of this section submits to the department in

writing the reasons for failure to comply with KRS 138.655 to 138.725 and if the department finds the reasons sufficient evidence or justifiable cause for modifying the penalty provided in subsection (1) of this section, it may modify the penalty enacted therein to 5 percent of the amount of the tax due and delinquent, provided the 5 percent penalty may be reduced to one percent if the violation is the first violation by the taxpayer within the twelve months.

(3) If the penalties provided by this section are collected by proceedings in court, an additional penalty of 20 percent shall be collected and distributed as is authorized by KRS 134.400 and 135.060. Whenever any licensee neglects or refuses to make and file any report for any calendar quarter as required by KRS 138.685, or files an incorrect or fraudulent report, the department shall determine after an investigation the amount of the liability which the licensee has incurred under KRS 138.655 to 138.725 for any particular quarter and assess and collect the amount of tax and penalties due.

(4) Any licensee who fails to make any report required under the provisions of KRS 138.655 to 138.725 within the time allowed may be required to pay a penalty of $50 to be assessed and collected in the manner provided for the assessment and collection of taxes, or may be proceeded against in a civil action instigated by the department. In addition, such licensee may be compelled to make the required return.

(5) In any action for the collection of taxes due under KRS 138.655 to 138.725 and any penalties or interest imposed in connection therewith, an assessment by the department of the amount of tax due and the interest or penalties due to the state shall constitute prima facie evidence of the claim of the state and the burden of proof shall be on the licensee to show that the assessment was incorrect or contrary to law.

Section 3. Section 186.140 of the Kentucky Revised Statutes is hereby amended to read as follows:

Except as provided in KRS 281.835 and 281.836, a nonresident owner, from a state not requiring registration of nonresidents temporarily in it, who has complied with the laws of the state of his residence relating to registration of motor vehicles,

and who displays the requisite plates and holds the requisite receipt or certificate of registration as required by his resident state, shall be exempt from registration in this state for the same period of time as is granted to nonresident owners by the laws and regulations of his state. Registration in any other state shall not relieve any owner resident in this state from the penalties provided in KRS 186.990.

Section 4. Section 189.659 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) The department shall issue a permit under the provisions of KRS 189.641 to 189.647, 189.651 to 189.659, [189.730] and 189.994 to any operator of commercial vehicles who carries out a safety program meeting the approval of the department.

(2) All vehicles operated in interstate commerce and subject to the safety regulations adopted by the Interstate Commerce Commission or other vehicles which are required by regulation to submit to stricter and more frequent safety inspections shall be exempt from the effects of KRS 189.641 to 189.647, 189.651 to 189.659, [189.730] and 189.994. A motor vehicle which was manufactured prior to 1932 and which is used primarily for exhibition in shows, parades, tours and other special uses but not for general transportation is exempt from the provisions of KRS 189.641 to 189.647, 189.651 to 189.659, 189.730 and 189.994.

Section 5. Section 281.011 of the Kentucky Revised Statutes is hereby amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) The term "carrier" or "motor carrier" means any person who owns, controls, operates, manages, or leases, except persons leasing to authorized carriers, any motor vehicle for the transportation of persons or property for hire upon any highway, and any person who engages in the business of U-Drive-It. It shall include common and contract carriers by motor vehicle, city and suburban buses, driveaways and U-Drive-Its;

(2) The term "motor vehicle" means any motor propelled vehicle used for the transportation of persons or property on a public highway, including any such vehicle operated as a unit in

combination with other vehicles, and including vehicles propelled by electric power obtained from overhead wires whether operating over rails or otherwise. [, except that it shall not include motor vehicles primarily designed for carrying not more than nine passengers, including the driver; motorcycles; and government or publicly owned vehicles, but shall include taxicabs, airport limousines and U-Drive-It vehicles.]

(3) The term "common carrier" means any person who holds himself out to the general public to engage in the transportation by motor vehicle of persons or property in intrastate or interstate commerce over regular routes, except that persons holding irregular route common carrier authority granted by the Interstate Commerce Commission, taxicabs, and local cartage vehicles are not required to move over regular routes;

(4) The term "irregular route common carrier" means any person who holds himself out to the general public to engage in the transportation by motor vehicle over irregular routes of specific commodities which have been, or will be, designated by the department as exempted commodities, including specific commodities removed from the exempted commodity list by the department where the right to engage in the transportation of same has been properly grandfathered into the appropriate authority under the applicable statutes;

(5) The term "contract carrier" means any person who, under individual contracts or agreements, engages in the transportation, other than transportation referred to in subsections (3) and (4) by motor vehicle of passengers or property in interstate or intrastate commerce.

(6) The term "driver" or "chauffeur" means the person physically operating the motor vehicle;

(7) The term "regular seat" means a seat ordinarily and customarily used by one passenger and in determining such seating capacity the manufacturer's rating may be considered.

Section 6. Section 281.820 of the Kentucky Revised Statutes is hereby amended to read as follows:

The department may require any motor carrier to keep within this state, subject to inspection at all reasonable times by the department, such books of account or records as are reasonably

necessary to enable the department to obtain full information at all times regarding the amounts due from such operator *in fees or taxes* [under this chapter]. The books and records shall be at all times open to inspection by the department.

HB 227, AN ACT relating to railroad crossings.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 277.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) No railroad company shall obstruct any public highway or street, or the navigation of any stream, by stopping and permitting trains, engines or cars to stand upon a public grade crossing or upon a drawbridge for more than five minutes at any one time, unless such stopping and standing is caused by circumstances beyond control of the railroad company.

(2) No member of a railroad train crew shall be held personally guilty of violating a municipal ordinance regulating the blocking of public grade crossings by trains, engines or cars, on proof that his action was necessary to comply with the orders or instructions of the railroad company or its officers; provided that nothing in this section shall relieve the railroad company from any responsibility placed upon it by said ordinance. [No railroad company shall obstruct, by cars, or trains, any public highway or street, or the navigation of any stream, for more than five minutes at any one time.]

Section 2. A new section of Chapter 277 of the Kentucky Revised Statutes is created to read as follows:

Any railroad company that violates the provisions of KRS 277.200 shall be fined not less than $25 nor more than $100 for each offense. If a grade crossing or drawbridge is obstructed by two or more trains stopping and standing thereon in succession without allowing accumulated highway or water traffic to pass, the obstruction by each such successive train shall constitute a separate offense.

The Committee on Appropriations and Revenue reported **HJR 28** with the expression of opinion that the same should pass.

Read at length for the first time and ordered placed in the Calendar.

HJR 28, A JOINT RESOLUTION directing the Legislative Research Commission to study the revenue system of state and local governments in Kentucky.

WHEREAS, state and local governments are confronted both by the increasing costs of maintaining existing programs and by citizen requests for expanded and improved services and programs which demand revenues for their implementation, and

WHEREAS, the several requirements of the federal, state and local governments form a combined burden on the taxpayer who has rightly become increasingly concerned with both the extent of taxes paid to government and with his equitable share of the cost of government, and

WHEREAS, revenues produced by the existing revenue system of the state and local governments are subject to major changes caused by events not controllable by such systems, including variations in the economy and modifications in the Internal Revenue Code of the United States, and

WHEREAS, the existing revenue system of the state and local governments have come under increasing criticism that they fail to produce revenue equal to the demands for services, that they regressively impose an inequitable portion of the tax burden on those least equal to pay, and that they are discriminatory against persons, property and services, and

WHEREAS, the existing revenue system of Kentucky state and local government is largely a result of crisis-to-crisis action by the executive and legislative branches, without benefit of an in-depth tax study or any real over-all guidelines in seeking the most equitable and practicable spread of the tax burden,

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is directed to study the revenue system of the Commonwealth of Kentucky, its counties, cities, school districts and special taxing

districts and to make recommendations to the 1972 General Assembly. The study shall include, but not be limited to, the following objectives:

A. To provide a broad and comprehensive survey of the state and local tax structures and their inter-relation to each other and to the tax structure of the Federal government.

B. To discover such inequities in the existing tax and revenue system of state and local revenue as may exist.

C. To compile a body of facts concerning state and local revenues, and to design an information system for maintaining the constant availability of facts and statistics relating to revenue for future re-evaluation from time to time.

D. To make appropriate recommendations as to the overall revenue system of the state and local governments with a view to the most equitable and practicable spread of the total tax burden for Kentucky taxpayers; said recommendations shall include changes in existing laws or procedures, or the enactment of new laws and methods for improving the assessment, imposition, collection and administration of state and local revenue programs.

Section 2. That the Legislative Research Commission is empowered to appoint an advisory committee to assist it in making the study, and is empowered to engage such professional advisors or consultants as it may deem necessary to the conduct of the study.

Section 3. That every agency, division, department or institution of state government and of each county, city, school district or special taxing district is directed to cooperate with the Legislative Research Commission, its staff, advisory committee and professional advisors in the study, and shall make available for the purpose of such study access to such books, records, and documents that are relevant to the assessment, imposition, collection and administration of the revenue programs.

Section 4. That the Commission shall report its findings and recommendations to the 1972 General Assembly and is directed further to summarize its findings in a report and make recommendations to this General Assembly prior to December 1,

1971, regarding any proposed changes in the revenue system, and any changes in law or procedures.

Section 5. To carry out the purposes of this Resolution, there is appropriated to the Legislative Research Commission out of the General Fund in the State Treasury the sum of $60,000 for the 1970-71 fiscal year. Any amount not expended during the 1970-71 fiscal year, shall not lapse, but shall be deemed a continuing appropriation which may be expended during the 1971-72 fiscal year.

The Committee on Judiciary reported **HB 222** with Committee Amendment attached thereto, **HB 221, HB 211,** and **HB 112** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 222, AN ACT providing for the recovery for damage for loss of consortium.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 411 of the Kentucky Revised Statutes is created to read as follows:

(1) As used in this section "consortium" means the right to the services, assistance, aid, society, companionship and conjugal relationship between husband and wife, or wife and husband.

(2) Either a wife or husband may recover damages against a third person for loss, impairment or interference with consortium, whether resulting from a negligent or wrongful act of such third person, or from an intentional wrong or direct attack upon the martial relationship.

The Committee Amendment to **HB 222** is as follows:

Amend printed copy of House Bill 222 on page 1, line 8, 9 & 10 by:

on line 8 after the word "loss," deleting the words "impairment or interference with" and inserting in lieu thereof the word "of" on line 9 by deleting the word "whether"

and on line 10 removing the comma after the word "person" and inserting in lieu thereof a period.

also on lines 10 and 11 by deleting the words "or from an intentional wrong or direct attack upon the marital relationship"

HB 221, AN ACT relating to wills.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 394 of the Kentucky Revised Statutes is created to read:

Every will shall be revoked by the divorce of the person who made the will, except a will made in exercise of a power of appointment when the estate thereby appointed would not, in default of such appointment, pass to the heir, personal representative, or next of kin of the person who made the will.

HB 211, AN ACT relating to courts.

WHEREAS, Section 136 of the Constitution requires that the General Assembly provide an economical and expeditious means of holding court; and

WHEREAS, the General Assembly finds that many of the circuit courts of the Commonwealth have an exceedingly heavy caseload and others have a lesser load; and

WHEREAS, current procedures for assigning special judges to handle extraordinary caseload problems are sometimes slow and cumbersome;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 23 of the Kentucky Revised Statutes is created to read as follows:

(1) Any circuit judge may, upon the request of any other circuit judge, hold a court for the latter or hear and determine any cases or questions pending before the latter.

(2) The request shall be noted on the order book of the

circuit court in which such court is to be held or in which such cases or questions are pending.

(3) Every circuit judge performing services pursuant to subsection (1) hereof shall be allowed and paid his actual expenses in the manner prescribed by KRS 64.505.

HB 112, AN ACT relating to civil liability for emergency care.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 411 of the Kentucky Revised Statutes is created to read as follows:

(1) No person shall be liable in civil damages for administering emergency care or treatment at the scene of an emergency outside of a hospital, doctor's office, or other place having proper medical equipment, for acts performed at the scene of such emergency, unless such acts constitute willful or wanton misconduct.

(2) Nothing in this section applies to the administering of such care or treatment where the same is rendered for remuneration or with the expectation of remuneration.

The Committee Amendment to **HB 112** is as follows:

Amend printed copy of House Bill 112 on page 1, line 3, by: deleting the word "person" and inserting in lieu thereof the words "licensed physician".

The Committee on Counties and Special Districts reported **HB 245, HB 295, HB 182** with Committee Amendment attached thereto, **HB 165** with Committee Amendment attached thereto, **HB 155, HB 132,** and **HB 65** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 245, AN ACT relating to property taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 132.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each county *property valuation administrator* [tax commissioner] shall assess at its fair cash value all property which it is his duty to assess. In the case of securities, which are regularly bought and sold through stock exchanges, the price at which such property closed on the last regular business day preceding the assessment day shall be prima facie evidence of the fair cash value of such property. The property of one person shall not be assessed wilfully or intentionally at a lower or higher relative value than the same class of property of another, and any grossly discriminatory valuation shall be construed as an intentional discrimination. The *property valuation administrator* [tax commissioner] shall make every effort, through visits with the taxpayer, personal inspection of the property, from records, from his own knowledge, from information in property schedules, and from such other evidence as he may be able to obtain, to locate, identify, and assess property.

(2) If the *property valuation administrator* [tax commissioner] assesses any property, except stocks and bonds at the market value listed in recognized publications, at the greater value than that listed by the taxpayer or assesses unlisted property, the *property valuation administrator* [tax commissioner] shall serve notice on the taxpayer of such action. The notice shall be given by *certified* [first class] mail or as provided in the Kentucky Rules of Civil Procedure.

(3) Any taxpayer may designate on the property schedule any property which he does not consider to be subject to taxation, and it shall be the duty of the *property valuation administrator* [tax commissioner] to obtain and follow advice from the Department of Revenue relative to the taxability of such property.

HB 295, AN ACT relating to employes of cities and counties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 79.080 of the Kentucky Revised Statutes is amended to read as follows:

Cities of all classes and counties and the agencies of cities

and counties are authorized to establish and operate plans for the payment of retirement, disability or hospitalization benefits to their employes, [.] *and hospitalization benefits to the immediate families of their employes.* Such a plan may require employes to pay a percentage of their salaries into a fund from which benefits are paid, or the city, county or agency may pay out of its own funds the entire cost of the benefits. A plan may include a combination of contributions by employes and by the city, county or agency into a fund from which benefits are paid, or it may take any form desired by the city, county or agency. Each city, county or agency may make rules and regulations and do all other things necessary in the establishment and operation of such a plan. Any plan adopted shall provide that any officer or member of a paid fire or police department who has completed five years or more as a member of the department, but who is unable to perform his duties by reason of heart disease or any disease of the lungs or respiratory tract, is presumed to have contracted his disease while on active duty as a result of strain or the inhalation of noxious fumes, poison or gases, and shall be retired by the pension board under terms of the pension system of which he is a member, if member passed an entrance physical examination and was found to be in good health as required. The term "agency" as used herein shall include boards appointed to operate water works, electric plants, hospitals, airports, housing projects, golf courses, parks, health departments, or any other public project.

HB 182, AN ACT relating to qualifications of nonelective peace officers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 61.300 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall serve as a deputy sheriff, deputy constable, patrol or other nonelective peace officer or deputy peace officer:

(a) Unless he is a citizen of the United States and is twenty-one years of age or over;

(b) Unless he has resided in the county wherein he is appointed to serve for a period of at least two years;

(c) Who has ever been convicted of *and not received a pardon* or is under indictment for a crime involving moral turpitude;

(d) Who has within a period of two years hired himself out, performed any service, or received any compensation from any private source for acting, as a privately paid detective, policeman, guard, peace officer or otherwise as an active participant in any labor dispute, or conducted the business of a private detective agency or of any agency supplying private detectives, private policemen or private guards, or advertised or solicited any such business in connection with any labor dispute;

(e) Until he has filed his photograph with the county clerk of the county in which he is to serve, together with his affidavit stating his full name, age and residence address and that he is not prohibited from serving by this section.

(2) The photograph so filed with the county clerk shall constitute a public record.

(3) Any person who exercises any of the functions of a nonelective peace officer or deputy peace officer in violation of the provisions of this section shall be fined not less than one hundred nor more than five hundred dollars, or imprisoned in the county jail for not more than six months, or both.

The Committee Amendment to **HB 182** is as follows:

Amend printed copy of House Bill 182 on page 1, lines 10 through 12, by: striking all words after the designation "(c)" and substituting therefor the following:

"Who is under indictment for or who has ever been convicted of a felony, except that this section shall not apply to one convicted of a felony who has received a pardon; [Who has ever been convicted of or is under indictment for a crime involving moral turpitude;]"

HB 165, AN ACT to provide for the temporary orderly succession of the office of a County Judge unable by absence or disability to serve in event of a national and state emergency.

WHEREAS, continuity of legally elected or appointed government officials in every county of the Commonwealth is vital to health, safety and welfare of the citizens thereof, and of primary concern to Civil Defense; and

WHEREAS, in event of an attack upon this country by a hostile force, resulting in a national and state emergency, decisions and actions would be required of county officers immediately; and

WHEREAS, the office of County Judge is that of chief magistrate, conservator of the peace and head of Civil Defense in the county of his charge; and

WHEREAS, existing procedures for filling vacancies in the office of County Judge require considerable time not accommodated to a national and state emergency;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 25 of the Kentucky Revised Statutes is created to read as follows:

When the absence or disability of the duly elected County Judge of any County shall prevent his serving in office during emergency involving national and state defense, the duties of the County Judge shall be administered temporarily by the County Judge Pro Tem, if one has been appointed by the County Judge and is actively serving as such.

Section 2. A new section of Chapter 25 of the Kentucky Revised Statutes is created to read as follows:

In any county where no County Judge Pro Tem has been appointed by the County Judge upon the effective date of this act, then the County Judge of such County shall appoint a County Judge Pro Tem for the purpose of preparing for such an emergency as is set forth in the foregoing paragraph.

Section 3. A new section of Chapter 25 of the Kentucky Revised Statutes is created to read as follows:

If at the time of an emergency as set forth herein above

neither the duly elected County Judge nor the appointed County Judge Pro Tem is able to serve in the office by reason of absence or disability, then the duties of the County Judge shall be assumed temporarily by the County Attorney.

Section 4. A new section of Chapter 25 of the Kentucky Revised Statutes is created to read as follows:

If neither the County Judge, the County Judge Pro Tem nor the County Attorney is able to serve in the office by reason of absence or disability, then the duties of the County Judge shall be assumed temporarily by the duly elected and serving member of the Fiscal Court who has the greatest seniority in his office, provisions of KRS 61.080(2) to the contrary notwithstanding.

Section 5. A new section of Chapter 25 of the Kentucky Revised Statutes is created to read as follows:

Any of the persons designated herein to serve in the line of succession to the County Judge during such state of emergency shall occupy and serve in the office of County Judge: (1) only until, if and when, the regular County Judge should return to the County from absence during the emergency or should recover from disability; or (2) until the Governor of the Commonwealth is able to make an appointment of a successor to the regular County Judge; or (3) until the termination of the state of emergency, whichever should occur soonest.

Section 6. A new section of Chapter 25 of the Kentucky Revised Statutes is created to read as follows:

For the purpose of this act, the regular County Judge, the County Judge Pro Tem, or other persons designated to serve in the line of succession during an emergency, shall be deemed "absent" when he is outside the County at the time of the occurrence or declaration of the emergency and is unable to return; and shall be deemed "disabled" when sick, injured or mentally incompetent to perform the duties.

The Committee Amendment to **HB 165** is as follows:

Amend printed copy of House Bill 165 on page 2, by: striking all words in lines 18, 19, 20, 21, 22, 23, and 24 and on page

2, line 25, by deleting the comma following the words "County Judge" and inserting in lieu thereof the word "nor"

and on page 2, line 25, by deleting after the word "Tem" the word "nor"

and on page 3, line 1, by deleting the words "the County Attorney"

and on page 3, line 3, by deleting the words "the duly elected and serving mem-" and inserting in lieu thereof the following words: "a member of the fiscal court selected for this purpose by the fiscal court"

and on page 3 by deleting all words on line 4

and on page 3, line 5, by deleting the word "fice"

and on page 3, line 7, by deleting after the word "Section" the figure "5."

and inserting in lieu thereof the figure "4."

and on page 3, line 18, by deleting after the word "Section" the figure "6."

and inserting in lieu thereof the figure "5."

HB 155, AN ACT relating to the county judge expense allowance fund.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 25.330 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Commissioner of Finance shall determine the amount that is present in the fund on the last days of the months of September, December, March, and June. Payments shall be made quarterly to county judges in an amount determined as provided in this section.

(2) Except as provided in *the second sentence* [paragraph (b)] of subsection (3) of this section, the maximum expense allowance is *$600* [$375] per quarter-year.

(3) [(a)] If the money present in the fund on the day mentioned in subsection (1) of this section divided by 120 equals

an amount less than *$600* [$375], than that *lesser* amount shall be paid. [(b)] If the money present in the fund on the day mentioned in subsection (1) of this section divided by 120 equals an amount as much as or more than *$600,* [$375] then *$600* [$375] shall be paid, except that [: 1.] if, *firstly,* the amount is more than *$600* [$375], and, *secondly,* [2.] if the total amount previously paid to each judge during the fiscal year is less than *$600* [$375] times the number of previous payments, then the payment shall be in an amount not larger than is necessary to make the total amount paid during the fiscal year equal to *$600* [$375] times the number of payments.

(4) In no case shall a county judge receive *from the fund* more than *$2400* [$1500] in one fiscal year.

HB 132, AN ACT relating to repair, closing or demolition of unfit dwellings by cities and counties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 80.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in KRS 80.620 to 80.720, unless the context requires otherwise:

(a) "Dwelling" means any building, or structure, or part thereof, used and occupied for human habitation or intended to be so used, and includes any outhouses and appurtenances belonging thereto or usually enjoyed therewith.

(b) "Governing body" means the general council, board of commissioners, or other legislative body, charged with governing a city, *and the fiscal court of any county.*

(c) "Public officer" means the officer or officers who are authorized by ordinances *and resolutions* adopted hereunder to exercise the powers prescribed by such ordinances *and resolutions* and by KRS 80.620 to 80.720.

(d) "Public authority" means any housing commission or any officer who is in charge of any department or branch of the government of the city, county or state relating to health, fire,

building regulations, or to other activities concerning dwellings in the city.

(e) "Owner" means the holder of the title in fee simple and every mortgagee of record.

(f) "Parties in interest" means all individuals, associations and corporations who have interests of record in a dwelling and any who are in possession thereof.

(2) The powers conferred upon cities *and counties* by KRS 80.620 to 80.720 shall be in addition and supplemental to the powers conferred by any other law.

Section 2. Section 80.630 of the Kentucky Revised Statutes is amended to read as follows:

Whenever any city *or county* finds that there exists in such city *or county* dwellings which are unfit for human habitation due to dilapidation, defects increasing the hazards of fire, accidents or other calamities, lack of ventilation, light or sanitary facilities, or due to other conditions rendering such dwellings unsafe or unsanitary, or dangerous or detrimental to the health, safety or morals, or otherwise inimical to the welfare of the residents of the city *or county*, the city *or county* may exercise its police powers to repair, close or demolish such dwellings in the manner provided in KRS 80.640 to 80.720.

Section 3. Section 80.640 of the Kentucky Revised Statutes is amended to read as follows:

Upon the adoption of an ordinance *or resolution* finding that dwelling conditions of the character described in KRS 80.630 exist within a city *or county*, the governing body of the city *or county* may adopt ordinances *or resolutions* relating to the dwellings within the city *or county* which are unfit for human habitation. Such ordinances *or resolutions* shall provide that a public officer be designated or appointed to exercise the powers prescribed by the ordinances *or resolutions*, and shall include the provisions of KRS 80.650 to 80.680.

Section 4. Section 80.650 of the Kentucky Revised Statutes is amended to read as follows:

Whenever a petition is filed with the public officer by a

public authority or by at least five residents of the city *or county* charging that any dwelling is unfit for human habitation or whenever it appears to the public officer (on his own motion) that any dwelling is unfit for human habitation, the public officer shall, if his preliminary investigation discloses a basis for such charges, issue and cause to be served upon the owner of and parties in interest in such dwelling a complaint stating the charges in that respect. The complaint shall state: That a hearing will be held before the public officer (or his designated agent) at a place therein fixed not less than ten days nor more than thirty days after the serving of the complaint; that the owner and parties in interest may file an answer to the complaint and to appear in person, or otherwise, and give testimony at the place and time fixed in the complaint; and that the rules of evidence prevailing in courts of law or equity shall not be controlling in hearings before the public officer.

Section 5. Section 80.680 of the Kentucky Revised Statutes is amended to read as follows:

The public officer may determine that a dwelling is unfit for human habitation if he finds that conditions exist in such dwelling which are dangerous or injurious to the health, safety or morals of the occupants of such dwelling, the occupants of neighboring dwellings or other residents of the city *or county*. Such conditions may include the following (without limiting the generality of the foregoing): Defects increasing the hazards of fire, accident, or other calamities; lack of adequate ventilation, light, or sanitary facilities; dilapidation; disrepair; structural defects; uncleanliness. Additional standards to guide the public officer, or his agents, in determining the fitness of a dwelling for human habitation, may be provided by ordinance *or resolution*.

Section 6. Section 80.690 of the Kentucky Revised Statutes is amended to read as follows:

Complaints or orders issued by a public officer pursuant to an ordinance *or resolution* adopted under KRS 80.620 to 80.720 shall be served upon persons either personally or by registered mail, but if the whereabouts of such person is unknown and the same cannot be ascertained by the public officer in the exercise of reasonable diligence, and the public officer shall make an

affidavit to that effect, then the serving of such complaint or order upon such persons may be made by publication pursuant to KRS Ch. 424. A copy of such complaint or order shall be posted in a conspicuous place on premises affected by the complaint or order, and shall be recorded in the office of the county clerk of the county wherein the dwelling is located.

Section 7. Section 80.710 of the Kentucky Revised Statutes is amended to read as follows:

The governing body of the city *or county* may by ordinance *or resolution* authorize the public officer to exercise such powers as are necessary or convenient to carry out and effectuate the purposes and provisions of KRS 80.620 to 80.720, including the following powers in addition to others herein granted:

(1) To investigate the dwelling conditions in the city *or county* in order to determine which dwellings therein are unfit for human habitation;

(2) To administer oaths, affirmations, examine witnesses and receive evidence;

(3) To enter upon premises for the purpose of making examination, but such entries shall be made in such manner as to cause the least possible inconvenience to the persons in possession;

(4) To appoint and fix the duties of such officers, agents and employes as he deems necessary to carry out the purposes of the ordinances; and

(5) To delegate any of his functions and powers under the ordinance to such officers and agents as he designates.

Section 8. Section 80.720 of the Kentucky Revised Statutes is amended to read as follows:

The governing body of any city *or county* adopting an ordinance *or resolution* under KRS 80.620 to 80.720 shall as soon as possible thereafter prepare an estimate of the annual expenses or costs to provide the equipment, personnel and supplies necessary for periodic examinations and investigations of the dwellings in such city *or county* for the purpose of determining the fitness of the dwellings for human habitation and for the enforcement

and administration of its ordinances *or resolutions* adopted under KRS 80.620 to 80.720; and any such city *or county* may make such appropriations from its revenues as it may deem necessary for this purpose and may accept and apply grants or donations to assist it in carrying out the provisions of such ordinances *or resolutions.*

HB 65, AN ACT relating to compensation of certain county officials.

WHEREAS, since the adoption of Section 246 of the Constitution, and since the latest statutory increases in compensation for circuit clerks, county court clerks, sheriffs and county attorneys, the consumer price index has increased; and

WHEREAS, considering the increase in the consumer price index and the additional duties imposed upon those officials, the compensation of those officials based upon the salary limitation fixed by Section 246 of the Constitution and the latest statutory enactments is inadequate; and

WHEREAS, in enacting legislation increasing the compensation of those county officials, it is the intention of the General Assembly to equate their salary with the purchasing power of the dollar of 1949, when Section 246 of the Constitution was adopted, and to compensate them for the additional duties imposed upon them;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.535 of the Kentucky Revised Statutes is amended to read as follows:

The [county court clerk, circuit clerk,] county judge [, sheriff, county attorney,] and jailer of each county shall receive an annual salary of $9600, *and the county court clerk, circuit clerk, sheriff and county attorney of each county shall receive an annual salary of $14,400* to be paid solely out of the statutory fees and salaries received by him during the calendar year.

The Committee Amendment to **HB 65** is as follows:

Amend printed copy of House Bill 65 on page 1, in the

third line of the first "WHEREAS" clause, by inserting after the word "sheriffs" the words "county judges, jailers"

and on page 2, lines 3 through 8, by striking those lines and substituting therefor the following:

"The county court clerk, circuit clerk, [county judge,] sheriff, county attorney, and jailer of each county shall receive an annual salary of *$12,000* [$9,600], to be paid solely out of the statutory fees and salaries received by him during the calendar year.

Section 2. A new section of Chapter 64 of the Kentucky Revised Statutes is created to read as follows:

The county judge shall receive an annual salary of $12,000 to be paid solely out of the statutory fees and salaries received by him during the calendar year, except that:

(1) In counties having cities of the second class this limit shall be $14,000;

(2) In counties having cities of the first class this limit shall be $16,000.

Section 3. This Act shall apply to the calendar year 1970 and all subsequent years."

The Committee on Rules reported **HB 21, HB 46** with Committee Amendment attached thereto, **HB 66** with Committee Amendment attached thereto, **HB 83, HB 85** with Committee Amendment attached thereto, **HB 150** and **HB 365** have been posted for passage in Orders of the Day, February 16, 1970.

The Committee on Rules reported **HB 106** has been recommitted to the Committee on Cities for cost analysis.

The Committee on Rules reported **SB 18** has been recommitted to the Committee on Health and Welfare.

Representative DeMarcus moved that the Rules be suspended to take **HR 46** from Orders of the Day and place it upon its passage. Agreed.

HCR 46, A CONCURRENT RESOLUTION to adjourn the General Assembly on February 11, 1970, in memory and honor of Abraham Lincoln.

WHEREAS, February 12, 1970, marks the one hundred sixty-first anniversary of the birth of Abraham Lincoln, apostle of humility, traveler with compassion and companion to the fairest virtues of the human spirit; and

WHEREAS, Abraham Lincoln fulfilled in his noble existence the finest intent of the Holy Beatitudes, being mournful and comforted, being meek and inheriting the earth, being merciful and obtaining mercy, being a peacemaker and called a child of God, seeking righteousness and being filled, being persecuted for righteousness' sake and finding the Kingdom of Heaven, and being pure in heart and seeing God; and

WHEREAS, down the corridors of time, where stroll the great and small among the human family, no mind may close, no ear deafen, no eye not see and no heart may harden in the reflection of the purpose, achievement and legacy of this mortal Prometheus; and

WHEREAS, it behooves those of all stations, circumstances, places and times to pause, cogitate and evaluate their relationships with themselves, their fellows and their Maker in the spirit of Abraham Lincoln;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

That when the General Assembly adjourns on this day, Wednesday, February 11, 1970, it does so in memory, honor, respect and tribute to Abraham Lincoln.

Representative DeMarcus moved the adoption of **HR 46.** Agreed.

Representative McBrayer moved that the Rules be suspended for the adoption of **SCR 41.** Agreed.

SCR 41, A CONCURRENT RESOLUTION relating to adjournment of the General Assembly.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That when the Senate and the House of Representatives do adjourn on Wednesday, February 11, they do so to meet again on Monday, February 16, at a time set by motion duly adopted in the respective houses of the General Assembly.

Representative McBrayer moved the adoption of **SCR 41.**

On the roll call the vote was yeas 75–Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Edward G. Brown, Hershel Brown, Bruce, Carroll, Chapman, Clapp, Clarke, Collins, Curlin, James A. Davis, Deskins, Dorris, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Keith, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, Rickert, Ruh, Salyers, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, Wible, Wright, Wyatt. Nays 2–Donnermeyer, Siemens.

SCR 41 was adopted and the title agreed to.

The Speaker announced that Discharge Petitions on **HB 16** and **HB 301** have been withdrawn.

Calendar

HB 71, HB 93, HB 140, HB 141, HB 160, HB 184, HB 303, HB 293, HB 284, HB 263, HB 239, HB 240, HB 329, HB 320, HB 307, SR 14 and **HR 32** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Health and Welfare: **HB 428, HB 429, HB 436, SB 51.**

Agriculture and Natural Resources: **HB 440, HR 48.**

Appropriations and Revenue: **HB 441.**

Banking and Insurance: **HB 432, HB 434.**

Business Organizations and Professions: **HB 439.**

Cities: **HB 435.**

Judiciary: **HB 430, HB 431, HB 433, HB 438.**

State Government: **HB 437.**

Rules: **HR 49.**

Orders of the Day

Representative McBrayer moved that consideration of **HB 159** and **HB 192** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 327, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blume moved the adoption of the Committee Amendment to **HB 327.** Agreed.

On the roll call the vote was yeas 46—Baker, Blandford, Bleemel, Blume, Blythe, Carroll, Chapman, Clarke, Conn, Curlin, Donnermeyer, Dorris, Haney, Head, Holloway, Hughes, Isler, Kenton, Kidd, Kleier, Lewis, McBrayer, McCann, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Prather, Priddy, Ray, Reed, T. P. Reynolds, Rickert, Ruh, Siemens, Stuart, Swinford, Wenz, Glenn White, Wible, Wyatt, Yocom. Nays 26—Alexander, Arnett, Bartley, A. Brown, H. Brown, Bruce, J. A. Davis, Deskins, Freeman, Graves, J. Hardin, L. Hardin, Hinkle, Huff, Keith, Louden, Lovins, McBride, Massey, Salyers, Sharpe, Van Horn, Wells, West, Wheeler, Wright.

HB 327 as amended was passed and the title agreed to.

Representative Blume moved that the vote by which **HB 327** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Speaker Pro Tempore Blume presiding.

HB 29, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Carroll moved the adoption of Committee Amendment No. 1 to **HB 29.** Agreed.

Representative Carroll moved the adoption of the Committee Amendment No. 2 to **HB 29.** Agreed.

Representative Carroll moved the adoption of the Committee Amendment No. 3 to **HB 29.** Agreed.

Representative Van Horn moved the adoption of the following Amendment No. 4 to **HB 29.**

Amend printed copy of House Bill 29 on page 4, line 5, by: deleting the word "corporation" and inserting in lieu thereof the words "bail bondsman";

and on page 4, line 6, by deleting the word "corporation" and inserting in lieu thereof the word "bondsman";

and on page 4, line 12, by deleting the word "corporation" and inserting in lieu thereof the following: "bondsman, or by any agent acting in his behalf,".

Amendment No. 4 to **HB 29** was rejected.

On the roll call the vote was yeas 80—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McNamara, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, T. P. Reynolds, Rickert, Ruh, Salyers, Siemens, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 29 as amended was passed and the title agreed to.

Representative Parish moved that the vote by which **HB 29** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 152 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 84 – Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Chapman, Clarke, Collins, Conn, James A. Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, Wright, Wyatt, Yocom. Nays 0.

HB 152 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 152** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **HB 1, HB 333** with Amendment, and **HB 18.**

Orders of the Day (Continued)

HB 187 taken from Orders of the Day and ordered read at length for the third time. Representative Parish moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 80—Alexander, Arnett, Baker, Bartley, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Chapman, Clapp, Clarke, Conn, James A. Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, Wible, Wyatt, Yocom. Nays 0.

HB 187 was passed and the title agreed to.

Representative Parish moved that the vote by which **HB 187** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 201, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Rickert moved the adoption of the Committee Substitute for **HB 201.** Agreed.

On the roll call the vote was yeas 74—Alexander, Allen, Arnett, Baker, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Chapman, Clarke, Collins, Conn, James A. Davis, DeMarcus, Deskins, Donnermeyer, Durham, Freeman, Graves, Haney, L. T. Hardin, Head, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Wenz, Wheeler, Glenn White, Wible, Wyatt, Yocom. Nays 4—Bartley, Hinkle, McNamara, Van Horn.

HB 201, by way of Committee Substitute, was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 201**, by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 204, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Murphy moved the adoption of the Committee Amendment to **HB 204**. Agreed.

On the roll call the vote was yeas 81—Alexander, Allen, Baker, Bartley, Blandford, Bleemel, Archie Brown, Edward G. Brown, Hershel Brown, Chapman, Clapp, Clarke, Collins, Conn, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, John F. White, Wible, Wyatt, Yocom. Nays 0.

HB 204 as amended was passed and the title agreed to.

Representative Wible moved that the vote by which **HB 204** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 1, HB 18** and **HB 22** had been examined and found correctly enrolled. **HB 1, HB 18** and **HB 22** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 1, HB 18 and **HB 22** delivered, signed by President. Ordered delivered to the Governor.

Orders of the Day (Continued)

HB 205, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hughes moved the adoption of the Committee Amendment to **HB 205.** Agreed.

Representative Hughes moved that **HB 205** be laid on the Clerk's desk. Agreed.

Senate Message

Announcing passage of **SB 91, SB 223, SB 208** and **SB 201.**

Orders of the Day (Continued)

HB 262, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 76—Allen, Arnett, Baker, Bleemel, Archie Brown, Hershel Brown, Bruce, Chapman, Clapp, Clarke, Conn, Curlin, James A. Davis, DeMarcus, Deskins, Donnermeyer, Durham, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Wible Wyatt, Yocom. Nays 3—Bartley, Reed, G. White.

HB 262 was passed and the title agreed to.

Representative Wible moved that the vote by which **HB 262** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 299 taken from Orders of the Day and ordered read at length for the third time. Representative Wible moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 71—Allen, Arnett, Baker, Bartley, Bleemel, Archie Brown, Hershel Brown, Bruce, Chapman, Clapp, Clarke, Conn, Curlin, James A. Davis, DeMarcus, Deskins, Donnermeyer, Durham, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keene, Keith, Kidd, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Reed, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, Wible, Wyatt. Nays 0.

HB 299 was passed and the title agreed to.

Representative Swinford moved that the vote by which **HB 299** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 36 taken from Orders of the Day and ordered read at length for the third time. Representative Wible moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 80—Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Archie Brown, Hershel Brown, Bruce, Chapman, Clapp, Clarke, Conn, Curlin, DeMarcus, Deskins, Donnermeyer, Durham, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed,

T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, Wible, Wright, Wyatt, Yocom. Nays 2—Nett, Roberts.

SB 36 was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **SB 36** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 109 taken from Orders of the Day and ordered read at length for the third time. Representative Wible moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 64—Allen, Arnett, Baker, Blandford, Blythe, Archie Brown, Hershel Brown, Bruce, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, DeMarcus, Donnermeyer, Durham, Graves, Haney, John O. Hardin, L. T. Hardin, Hinkle, Huff, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, May, Mershon, Murphy, Osborne, Parish, Paxton, Pollitte, Rattliff, Ray, Reed, T. P. Reynolds, Ruh, Sharpe, Siemens, Simmons, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, Wible, Wright, Wyatt. Nays 10—Bartley, Deskins, Freeman, Knuckles, Nett, Peak, Prather, Priddy, Rickert, Roberts.

SB 109 was passed and the title agreed to.

Representative J. Hardin moved that the Rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 442, by Representatives Swinford, Keene, Rickert, Bruce, Tobin, Keith, Alexander and Paxton: AN ACT relating to revenue and taxation.

HB 461, by Representative Curlin: AN ACT relating to interest and usury.

HB 462, by Representatives Rickert, Schmidt, Huff, Clarke

and Curlin: AN ACT relating to public boards of education and certified public school teachers.

HB 463, by Representative Keene: AN ACT relating to the sale of alcoholic beverages.

HB 464, by Representatives Keene and DeMarcus: AN ACT relating to the State Fair Board.

HB 465, by Representative Baker: AN ACT relating to service credit in the Armed Forces for members of the Kentucky Employes Retirement System.

HB 466, by Representatives Kenton and Reed: AN ACT relating to taxation of cigarettes and prescribing purpose and use of revenues collected.

HB 467, by Representatives Kenton, Chapman, G. White and Mershon: AN ACT relating to property valuation for tax purposes.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 4** had been examined and found correctly enrolled. **SB 4** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day (Continued)

Representative McBrayer moved that consideration of **HB 272** be deferred and that it retain its position in Orders of the Day. Agreed.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Education: **HB 364, HB 369, HR 41.** (Room 401, February 16, 1970, 1:30 p.m.)

Judiciary: **SB 100, SB 108, SB 140, SB 179, HB 294, HB 70, HB 148, HB 77.** (Room 401, February 17, 1970, on adjournment)

Banking and Insurance: **HB 228, SJR 13, HB 360, SB 65, SB 96.** (Room 402, February 17, 1970, 9:30 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Education: **HB 126.**

There will be a Judiciary Committee meeting on adjournment, Tuesday, February 17, 1970.

There will be a public hearing on **HB 198** in the House Chamber, February 12, 1970, 10:00 a.m.

Representative McBrayer moved that the House adjourn until 3:00 p.m., Monday, February 16, 1970.

On the roll call the vote was yeas 41—Arnett, Baker, Blythe, Carroll, Clarke, Conn, Curlin, Deskins, Donnermeyer, Graves, Head, Holloway, Hughes, Kenton, Kidd, Kleier, Lewis, Louden, Lovins, McBride, McCann, McNamara, May, Mitchell, Murphy, Nett, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rickert, Schmidt, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wyatt. Nays 1—King.

The motion to adjourn was adopted.

MONDAY, FEBRUARY 16, 1970

THIRTY-THIRD LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by the Reverend Earl S. Bell, Harlan Baptist Church, Harlan, Kentucky.

The roll was called. All present except Representatives Blythe, Lovins, McGill and G. White.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 11, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 468, by Representative Lindsay: AN ACT relating to ad valorem property taxation in school districts.

HB 469, by Representative Freeman: AN ACT relating to voter registration.

HB 470, by Representative Freeman: AN ACT relating to negotiable instrument law.

HB 471, by Representative Lindsay: AN ACT relating to parole in misdemeanor cases.

HB 472, by Representatives McCann and Peak: AN ACT relating to the practice of medicine.

HB 473, by Representative Lindsay: AN ACT relating to strip mining.

HB 474, by Representative Graves: AN ACT relating to circuit courts.

HB 475, by Representative Hughes: AN ACT relating to exemptions.

HB 476, by Representative Yocom: AN ACT relating to air boards.

HB 477, by Representative Yocom: AN ACT relating to persons who work in establishments serving alcoholic beverages.

HB 478, by Representative Kidd: AN ACT relating to the financing of lower income housing and providing for the creation and establishment of the Kentucky Housing Corporation.

HB 479, by Representative Prather: AN ACT relating to taxes.

HB 480, by Representative Prather: AN ACT relating to courts inferior to circuit courts.

HB 481, by Representative Allen: AN ACT relating to teacher retirement.

HB 482, by Representatives May, Deskins and Durham: AN ACT relating to fiduciaries.

HB 483, by Representatives May, Deskins and Durham: AN ACT relating to dower and curtsey.

HB 484, by Representative Roberts: AN ACT relating to motor vehicles.

HB 485, by Representative Swinford: AN ACT relating to rabies control.

HR 50, by Representatives Isler, Ruh and Mershon: A RESOLUTION honoring Thomas More College.

Report of Committees

The Committee on Education reported **HJR 41**, **HB 49** and **HB 364** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HJR 41, A JOINT RESOLUTION directing the Department of Education to provide instruction relating to State Government.

WHEREAS, the day-to-day functions of modern life daily become increasingly complex; and

WHEREAS, this increasing complexity is reflected in the broadening multiplicity of state agencies which affect the daily lives of the citizenry of this Commonwealth; and

WHEREAS, the government of this Commonwealth now budgets more than one billion dollars in each biennium for its operation; and

WHEREAS, it is imperative for every citizen of this Commonwealth to understand the operations and responsibilities of his state government as never before;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Department of Education of the Commonwealth of Kentucky is directed to formulate a curriculum of instruction on the operation and responsibilities of State Government and the interrelation of the three branches of that government to be made available to all students of this Commonwealth.

Section 2. The Department of Education shall report the curriculum and its implementation to the 1972 General Assembly.

HB 49, AN ACT relating to group insurance benefits for employes of district boards of education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 161 of the Kentucky Revised Statutes is created to read as follows:

(1) Each district board of education may form its employes into a group or groups or recognize existing groups for the purpose of obtaining the advantages of group life, disability, medical, and dental insurance or any group insurance plans to aid its employes, as long as the employes continue to be employed by the board of education. Any district board of education may pay all or any part of the premium on the policies, and may deduct from the salaries of the employes that part of the premium which is to be paid by them and may contract with the insurer to provide the above benefits.

(2) Payments made by the Board of Education under the authority of this Act are presumed to be for services rendered and for the benefit of the common schools; and the payments do not affect the eligibility of any school system to participate in the foundation program as established in KRS Chapter 157.

HB 364, AN ACT relating to Textbooks and Materials for Experimental Purposes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 156.447 of the Kentucky Revised Statutes is amended to read as follows:

(1) The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, may authorize school districts for instructional experimentation to select and use textbooks *and materials* other than those selected and listed by the State Textbook Commission and adopted by adoption units. ***For the purpose of purchasing such experimental textbooks and materials the Superintendent of Public Instruction shall make*** *available to not more than ten (10) school districts, chosen by the State Board of Education, an amount of money equal to that* ***which would have been provided to the districts had they adopted a text selected and listed by the State Textbook Commission. However, in no case shall the amount of funds thus*** *made available exceed one-sixth of the total funds for textbooks* ***and materials made available to the district by the Superintendent of Public Instruction.***

(2) Before subjects for experimentation are offered and taught to the pupils in the state public schools, such subjects shall have been approved by the State Board of Education, upon the recommendation of the Superintendent of Public Instruction. The selected textbooks by the school districts shall be approved by the State Textbook Commission as regards to size, paper, binding, print, illustration, subject matter, and the retail, lowest wholesale, and exchange prices before the books are used by the public schools. The purchase, distribution, and use of such books shall be by the same procedures as that for other textbooks for said subjects and grades.

The Committee on Highways and Traffic Safety reported **HB 397**, with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 397, AN ACT relating to insurance for employes of the Department of Highways.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 176 of the Kentucky Revised Statutes is created to read as follows:

(1) The Department of Highways shall secure such motor vehicle liability insurance as will reasonably protect the interest of employes of the Department of Highways when in the conduct of official business.

(2) The Department of Highways shall pay the premiums necessary to provide the insurance required by this section, which shall be considered a proper cost of administration.

(3) Policies authorized by this section shall be purchased only in accordance with regulations prescribed by the Commissioner of Insurance and the Commissioner of Finance.

The Committee Amendment to **HB 397** is as follows:

Amend printed copy of House Bill 397 on page 1, line 4 & 5 by: deleting the words "as will reasonably protect the interest" and inserting in lieu thereof the words "at no more than the minimum limits of liability as required by law"

and on line 5 by deleting the word "of" and inserting in lieu thereof the word "for"

The Committee on Labor and Industry reported **HB 225** with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

Calendar

HB 63, HB 65, HB 112, HB 124, HB 132, HB 155, HB 165, HB 182, HB 211, HB 221, HB 304, HB 222, HB 227, HB 234,

HB 245, HB 408, HB 311, HB 251, HB 254, HB 261, HB 266, HB 295, HR 43 and **HR 28** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

Representative McBrayer moved that **HB 303** be recommitted to the Committee on Cities for the purpose of adding an amendment. Agreed.

Representative McBrayer moved that the House do not concur in the Senate Amendments to **HB 12** and that they be returned to the Senate. Agreed.

Representative McBrayer moved that the House concur in the following Senate Amendment to **HB 333**:

Amend printed copy of House Bill 333 on page 3, by: striking lines 10-24 in their entirety;

and on page 3, line 25, by changing "Section 4" to read "Section 3".

Agreed.

Representative McBrayer moved that **HB 333** be placed upon its passage as amended.

On the roll call the vote was yeas 77—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Chapman, Clapp, Clarke, Conn, Curlin, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Huff, Hughes, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Knuckles, Lewis, Lindsay, McBrayer, McCann, McKinney, Massey, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Sharpe, Siemens, Simmons, Swinford, Tobin, Wells, Wenz, West, Wheeler, John E. White, Wible, Wright, Wyatt, Yocom. Nays 4—McBride, Miller, Stuart, Van Horn.

HB 333 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 333** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Freeman moved that **HB 56** which was reported out unfavorably by the Committee on Public Utilities and Transportation on February 11, 1970, be given its first reading.

On the roll call the vote was yeas 44—Allen, Arnett, Archie Brown, Hershel Brown, Bruce, Carroll, Carter, Collins, Conn, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Freeman, Graves, Huff, Hughes, Keith, Kenton, Kleier, Knuckles, Lewis, Louden, McKinney, Parish, Paxton, Peak, Pollitte, Rattliff, Ray, Reed, Russell Reynolds, Salyers, Sharpe, Simmons, Stuart, Swinford, Van Horn, Wenz, West, John E. White, Wible. Nays 1—J. Hardin.

The motion that **HB 56** be given its first reading was rejected.

Representative Ray requested that he be recorded as voting "yea" on the adoption of the Amendment to **HB 333**. Agreed.

Representative Ray requested that he be recorded as voting "nay" on the passage of **HB 333** as amended. Agreed.

Representative Siemens requested that he be recorded as voting "yea" on the adoption of the Amendment to **HB 333**. Agreed.

Representative Siemens requested that he be recorded as voting "nay" on the passage of **HB 333** as amended. Agreed.

Representative Ruh requested that he be recorded as voting "yea" on the adoption of the Amendment to **HB 333**. Agreed.

Representative Ruh requested that he be recorded as voting "nay" on the passage of **HB 333** as amended. Agreed.

Representative Mershon requested that he be recorded as voting "nay" on the passage of **HB 333** as amended. Agreed.

Representative J. O. Hardin moved that **HB 56** be referred to the Committee on Judiciary.

On the roll call the vote was yeas 61—Alexander, Allen, Arnett, Blandford, Bleemel, Archie Brown, Hershel Brown, Bruce, Carter, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Huff, Hughes, Keith, Kenton, Kidd, Kleier, Knuckles, Lewis, Louden, McBride, McCann, McKinney, May, Mershon, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Rattliff, Ray, Reed, Russell Reynolds, Salyers, Sharpe, Simmons, Stuart, Swinford, Van Horn, Wenz, West, John E. White, Wible, Wright, Wyatt. Nays 5—Curlin, Keene, Prather, Priddy, Rickert.

The motion that **HB 56** be referred to the Committee on Judiciary was adopted.

Speaker Carroll presiding.

The Committee on Rules reported **HB 93, HB 140, HB 141** with Committee Amendment attached thereto, **HB 160, HB 209, HB 263, HB 307, HB 329, HR 32** with Committee Amendment attached thereto, **HR 49** and **SR 14** have been posted for passage in Orders of the Day, February 17, 1970.

Orders of the Day

Representative McBrayer moved that consideration of **HB 159, HB 192** and **HB 272** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 21 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Yocom moved the adoption of the following Amendment to **HB 21**:

Amend printed copy of House Bill 21 on page 1, lines 3, 4, and 5, by striking those lines and substituting therefor the following:

"The legislative body of a city of the second, third, fourth, fifth, or sixth class, except a city of the [fourth,] fifth or sixth class in a county containing a first-class city, may by"

Agreed.

On the roll call the vote was yeas 82—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, Deskins, Donnermeyer, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McNamara, May, Mershon, Miller, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, John E. White, Wible, Wright, Yocom. Nays 0.

HB 21 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 21** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 46, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Siemens moved the adoption of the Committee Amendment to **HB 46**. Agreed.

On the roll call the vote was yeas 72—Alexander, Allen, Arnett, Blandford, Bleemel, Blume, Edward G. Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Durham, Freeman, Graves, Haney, John O. Hardin, Head, Hinkle, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Kleier, Knuckles, Lewis, Louden, McBrayer, McBride, McCann, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W.

J. Reynolds, Ruh, Salyers, Schmidt, Siemens, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Wible, Wright, Wyatt, Yocom. Nays 9—Bartley, A. Brown, H. Brown, Floyd, L. Hardin, Huff, Lindsay, Rickert, J. White.

HB 46 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 46** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 66** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 83 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hughes moved that the Rules be suspended for the purpose of making a motion. Agreed.

Representative Hughes moved that **HB 205** be taken from the Clerk's Desk and placed in Orders of the Day. Agreed.

Representative Roberts moved that Introduction of Bills and Resolutions, Announcements and Reference of Bills and Resolutions be read after adjournment. Agreed.

Representative Roberts moved that the House adjourn until 1:00 p.m., Tuesday, February 17, 1970.

On the roll call the vote was yeas 41—Alexander, Baker, Bartley, Collins, Curlin, Walter Davis, DeMarcus, Dorris, Durham, Floyd, John O. Hardin, L. T. Hardin, Hinkle, Huff, Keene, Keith, Lindsay, Louden, McCann, McKinney, McNamara, Massey, Miller, Mitchell, Osborne, Paxton, Rattliff, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Schmidt, Sharpe, Simmons, Tobin, Wells, West, Wheeler, John E. White. Nays 32—Blandford, A. Brown, H. Brown, Chapman, Clarke, Conn, Donnermeyer, Graves, Head, Hughes, Isler, Kenton, Kidd, Kleier, Lewis, McBrayer, McBride, Murphy, Nett, Peak, Prather, Priddy, Ray, Reed, Ruh, Siemens, Van Horn, Wenz, Wible, Wright, Wyatt, Yocom.

The motion to adjourn was adopted.

Introduction of Bills and Resolutions

HB 486, by Representatives Salyers and Allen: AN ACT relating to teacher retirement.

HB 487, by Representatives Clarke and Rickert: AN ACT relating to process agents for corporations.

HB 488, by Representative Clarke: AN ACT relating to limitation of actions.

HB 489, by Representatives Murphy, Donnermeyer, Louden, King, Ray and Blume: AN ACT relating to alcoholic beverage control.

HB 490, by Representatives Priddy, Bleemel and Alexander: AN ACT relating to public accountancy.

HB 491, by Representatives Blume and Schmidt: AN ACT relating to pari-mutuel betting and other similar systems of betting, including the taxation thereof.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Cities: **HB 321, HB 98, HB 303.** (Room 404, February 17, 1970, on adjournment)

Labor and Industry: **HB 163, HB 172, HB 180, HB 275, HB 186, HB 134, HB 135.** (February 17, 1970)

Judiciary: **HB 56.** (Room 402, February 20, 1970, 10:00 a.m.)

Judiciary: **HB 50, HB 54, HB 70, HB 148.** (Room 402, February 19, 1970, 9:30 a.m.)

Judiciary: **HB 388, HB 389, HB 418, SB 34.** (Room 401, Special meeting on adjournment, February 17, 1970)

State Government: **HB 97, HB 353, HB 296, HB 437, SB 10, SB 198.** (Room 401, February 17, 1970, 10:45 a.m.)

Appropriations and Revenue: **HB 281, HB 390, HB 348, HB 145, HB 339, HB 317, HB 357, HB 64.** (Room 402, February

17, 1970 or February 19, 1970, special meeting on adjournment)

Business Organizations and Professions: **HB 215.** (Room 402, February 17, 1970, Special meeting at 11:30 a.m.)

Elections and Constitutional Amendments: **SB 66, SB 77.** (Room 402, February 17, 1970, 10:45 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Labor and Industry: **HB 6, HB 91, HB 177, HB 297.**

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 448, HB 454, HB 464, SB 197.**

Appropriations and Revenue: **HB 442, HB 450, HB 451, HB 452, HB 456, HB 466, HB 467.**

Banking and Insurance: **HB 460, HB 461, SB 114, SB 122, SB 139.**

Business Organizations and Professions: **HB 462, HB 463.**

Cities: **HB 457, SB 201, SB 208, SB 223.**

Counties and Special Districts: **HB 444.**

Health and Welfare: **HB 447.**

Judiciary: **HB 445, HB 446, HB 458, SB 149.**

Labor and Industry: **SB 91.**

Public Utilities and Transportation: **HB 455, HB 459, SB 112.**

State Government: **HB 443, HB 449, HB 453, HB 465, SB 180, SB 198.**

TUESDAY, FEBRUARY 17, 1970

THIRTY-FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Earl S. Bell, Harlan Baptist Church, Harlan, Kentucky.

The roll was called. All present except Representatives Bleemel, and McGill.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 16, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 492, by Representative Lindsay: AN ACT relating to strip mining.

HB 493, by Representative Lindsay: AN ACT relating to local option determination for the continuance of strip mining.

HB 494, by Representative Lindsay: AN ACT relating to powers of fiscal court.

HB 495, by Representatives West, Collins, H. Brown, W. Davis, Clapp, Salyers, Sharpe, McKinney and Van Horn: AN ACT relating to boards of education.

HB 496, by Representatives Bartley, Rattliff, Sharpe, L. T. Hardin, A. Brown, Murphy, Clapp, Stuart, Kessinger, J. White, Keith, West, Wright and Floyd: AN ACT relating to condemnation.

HB 497, by Representatives Blythe and King: AN ACT relating to savings and loan associations.

HB 498, by Representative Swinford: AN ACT relating to the valuation of property for tax purposes.

Report of Committees

The Committee on Labor and Industry reported **HB 172, HB 275, HB 163** with Committee Amendment attached thereto, and **HB 186** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 172, AN ACT relating to mining inspectors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 351 of the Kentucky Revised Statutes is created to read as follows:

(1) In addition to the Board of Examiners and examination procedures provided by KRS 351.100 and 351.110, there is established a Periodic Re-examination Board for mine inspectors. The board is attached to the Department of Mines and Minerals for administrative purposes. The board is composed of three members appointed by the Commissioner of the Department of Mines and Minerals and three members appointed by the Commissioner of the Department of Labor. All members shall serve for terms of four years. Members shall not receive salary, but shall be reimbursed for actual and necessary expenses.

(2) (a) The purpose of the board is to examine inspectors periodically for their knowledge of the changing technology of coal mining, including their knowledge of the advances made in mine safety technology. The board shall determine what frequency and what content of re-examinations is necessary to achieve this purpose. The board may appoint an advisory committee or committees to assist it in gathering appropriate and timely material for re-examinations.

(b) The certificate of a mine inspector shall be revoked unless he successfully passes at least once every five years a re-examination administered by the board.

(c) The Department of Personnel shall devise and implement a salary schedule for mine inspectors whereunder an inspector's periodic salary increases are determined by the scores made on periodic re-examinations as well as by years of service.

Section 2. Of the members of the board first appointed under this Act, one member shall be appointed by each of the commissioners empowered to make appointments for a term of one year, one by each for a term of two years, and one by each for a term of three years. Thereafter, appointments shall be made for terms of four years.

HB 275, AN ACT relating to employment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

It shall be unlawful for any person, partnership, agency, firm, or corporation, or officer or agent thereof, to recruit, procure, supply, or refer any person for employment in place of an employe involved in a labor dispute in which such person, partnership, agency, firm, or corporation is not directly interested.

Section 2. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

(1) It shall be unlawful for any person, partnership, firm or corporation, or officer or agent thereof, involved in a labor dispute to employ in place of an employe involved in such labor dispute any person who customarily and repeatedly offers himself for employment in the place of employes involved in a labor dispute, or to employ any person in place of an employe involved in a labor dispute who is recruited, procured, supplied or referred for employment by any person, partnership, agency, firm or corporation not directly involved in the labor dispute.

(2) It shall be unlawful for any person who customarily and repeatedly offers himself for employment in place of employes involved in a labor dispute to take or offer to take the place in employment of employes involved in a labor dispute.

Section 3. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

It shall be unlawful for any person, partnership, firm or corporation, or officer or agent thereof, involved in a labor dispute

to contract or arrange with any other person, partnership, agency, firm or corporation to recruit, procure, supply, or refer persons for employment in place of employes involved in such labor dispute.

Section 4. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

It shall be unlawful for any person, partnership, agency, firm, or corporation, or officer or agent thereof, to recruit, solicit, or advertise for employes, or refer persons to employment, in place of employes involved in a labor dispute, without adequate notice to such person, or in such advertisement, that there is a labor dispute at the place at which employment is offered and that the employment offered is in place of employes involved in such labor dispute; provided however, that this Act shall not apply to any employment agent licensed as such under the Department of Labor, or to the Kentucky or the United States Employment Service.

Section 5. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

Any person, partnership, agency, firm or corporation violating Sections 1, 2, or 3 of this Act shall be guilty of a felony, and shall be punished by a fine of not more than $1,000.00, and by imprisonment for a term of not more than five years, or both, at the discretion of the court. Any person, partnership, agency, firm, or corporation, violating Section 4 of this Act shall be guilty of a misdemeanor, and shall be punished by a fine of not less than $25.00 or imprisonment for a term not exceeding six months, at the discretion of the court.

HB 163, AN ACT relating to minimum wage.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 337.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any contract for employment of any employe in this state at an oppressive and unreasonable wage is void as against public policy.

(2) In no event shall an employer pay to any employe in this state a wage less than $1.30 per hour.

The Committee Amendment to **HB 163** is as follows:

Amend printed copy of House Bill 163 on page 1, below line 7, by adding the following:

(3) Subsection (2) of this section does not apply to labor on a farm, domestic service in the home of the employer, employes of firms subject to regulation by the Public Service Commission, employes part or all of whose compensation consists of tips or gratuities, or employes of funeral homes.

HB 186, AN ACT relating to child labor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 339 of the Kentucky Revised Statutes is created to read as follows:

The provisions of KRS 339.220 to the contrary notwithstanding, minors age eleven years and over may be employed as caddies at golf courses subject to the following provisions:

(1) A "caddy" is an individual who offers his services to golfers at golf clubs both private and public. His duties during course of play include the carrying of golf clubs, direction to the golfer, assistance to the player in the general maintenance and upkeep of golf courses, including replacement of divots, repair of ball marks, raking of sand traps, location of golf balls and control of the pin. Duties normally referred to as "fore-caddying" or "shagging" of golf balls are not within the scope of this definition.

(2) No minor under eleven years of age shall be employed, permitted, or suffered to work as a caddy.

(3) Caddies under fourteen years of age are restricted to caddying one round of eighteen holes in any one day.

(4) Minors eleven and twelve years of age may not carry golf bags and are restricted to caddying with a "pull cart" only.

(5) Minors thirteen, fourteen, and fifteen years of age may be employed to carry golf bags provided the bags do not exceed thirty-five pounds in weight.

(6) No minor under sixteen years of age shall be employed, permitted, or suffered to operate power driven golf carts in the course of their employment.

(7) All persons employing minors as caddies are subject to all provisions of this chapter and the regulations issued hereunder.

Section 2. A new section of Chapter 339 of the Kentucky Revised Statutes is created to read as follows:

The Department of Labor shall issue such regulations as are necessary to carry out the provisions of this Act.

The Committee Amendment to **HB 186** is as follows:

Amend printed copy of House Bill 186 on page 2, line 15, by: changing the period "." to a comma "," and adding the words "or any power driven maintenance equipment."

The Committee on Banking and Insurance reported **SB 65, HB 226,** and **HB 360** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 65, AN ACT relating to establishment of a "FAIR" Plan to make essential Property Insurance available to all qualified applicants; to provide for a Reinsurance Association of property insurers; to enable insurers to become eligible for Federal Reinsurance; to provide for a Riot or Civil Disorders Reinsurance Reimbursement Fund; to provide generally for the operation of such Plan, the Association, and the Fund; and conferring certain powers on the Commissioner of Insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. All insurers licensed to write and writing property insurance in this Commonwealth on a direct basis are authorized, subject to approval and regulation by the Commissioner of Insurance, to establish and maintain a "FAIR" (Fair Access to Insurance Requirements) Plan and to establish and maintain a Reinsurance Association and to formulate and from time to time amend the Plan and Articles of Association and rules

and regulations in connection therewith, and to assess and share on a fair and equitable basis all expenses, income, and losses incident to such "FAIR" Plan and Reinsurance Association in a manner consistent with the provisions of this Chapter and in conformity with the Urban Property Protection and Reinsurance Act of 1968. (Title XI of Housing and Urban Development Act of 1968, Public Law 90-448, 90th Congress, August 1, 1968).

Section 2. Each insurer authorized to write and writing property insurance on a direct basis in this Commonwealth shall be required to become and remain a member of the Plan and the Reinsurance Association, and comply with the requirements thereof as a condition of its authority to transact property insurance business.

Section 3. The "FAIR" Plan and Articles of Association shall make provision for a Reinsurance Association having authority on behalf of its members to cause to be issued property insurance policies, to reinsure in whole or in part any such policies, and to cede any such reinsurance. The Plan and Articles of Association shall provide, among other things, for the perils to be covered, geographical area of coverage, compensation and commissions, assessments of members, participation in the writings, expenses, income and losses in the proportion each member's premiums written bear to the aggregate premiums written by all members, the administration of the Plan and Association, and any other matter necessary or convenient for the purpose of assuring fair access to insurance requirements provided the same permits each member insurer thereof to qualify for federal reinsurance under the Urban Property Protection and Reinsurance Act of 1968.

Section 4.(a) The Reinsurance Association shall be governed by a committee consisting of seven persons to be appointed by the Commissioner of Insurance within five days from the effective date of this Chapter. The Governing Committee shall be composed of two persons representing insurers chartered under the laws of the Commonwealth of Kentucky, one person

representing an insurer that is neither chartered under the laws of the Commonwealth of Kentucky nor affiliated with one of the national insurance trade associations, one person representing an insurer from each of the following three Associations:

American Insurance Association

American Mutual Insurance Alliance

National Association of Independent Insurers,

and one licensed insurance agent.

(b) Within thirty days following the effective date of this Act, the Governing Committee of the Association shall submit to the Commissioner of Insurance, for his review, a proposed "FAIR" Plan and Articles of Association consistent with the provisions of this Act.

(c) The "FAIR" Plan and Articles of Association shall be subject to approval by the Commissioner of Insurance and shall take effect five days after having been approved by him. If the Commissioner disapproves all or any part of the proposed Plan and Articles, the Governing Committee of the Association shall within fifteen days submit for review an appropriately revised Plan and Articles; and, if the Governing Committee fails to do so, the Commissioner shall thereafter promulgate such Plan and Articles consistent with the provisions of this Act substantially similar to those contained in the plan heretofore adopted by regulation.

(d) The Governing Committee of the Association may, on its own initiative or at the request of the Commissioner, amend the Plan and Articles, subject to approval by the Commissioner.

Section 5. Any person aggrieved by any action or decision of the administrators of the Plan, the Reinsurance Association, or of any insurer as a result of its participation therein, may appeal to the Commissioner of Insurance within thirty days from the date of the action or the decision. The Commissioner shall, after hearing held upon proper notice, issue an order approving the action or decision or disapproving the action or decision with respect to the matter which is the subject of appeal. All final orders and decisions of the Commissioner of Insurance shall be subject to judicial review.

Section 6. There shall be no liability on the part of, and no cause of action of any nature shall arise against insurers, any inspection bureau, placement facility, or reinsurance association, or their governing committee, agents or employees, or the Commissioner of Insurance or his authorized representatives, for any inspections undertaken or statements made by any of them concerning the property to be insured, or any person having a legal interest therein, and any reports and communications in connection therewith shall not be considered public documents.

Section 7.(a) A fund designated "Riot or Civil Disorders Reinsurance Reimbursement Fund" is hereby established in an amount of one thousand dollars ($1,000.00), to be set apart and maintained for the Commissioner of Insurance from taxes and fees imposed upon and collected from insurers, which Fund shall be held by the State Treasurer for the payment of amounts necessary to reimburse the Secretary of the Department of Housing and Urban Development under the provisions of Section 1223 (a) (1) of the Urban Property Protection and Reinsurance Act of 1968 for losses reinsured by the Secretary of the Department of Housing and Urban Development and occurring in this Commonwealth on or after August 1, 1968. Payments from the Riot or Civil Disorders Reinsurance Reimbursement Fund shall be made by the State Treasurer only after receipt by him of a statement requesting reimbursement from the Secretary of the Department of Housing and Urban Development and upon certification promptly made by the Commissioner of Insurance of the correctness of the amount thereof. Provided that the total amount of reimbursement in any one year shall not, in the aggregate, exceed five (5) percent of the aggregate property insurance premiums earned in this Commonwealth during the preceding calendar year on those lines of insurance reinsured by the Secretary of the Department of Housing and Urban Development in this Commonwealth during the current year.

(b) If such Fund as established by subsection (a) of this Section is diminished or depleted by such payments, the Commissioner of Insurance shall annually assess insurers authorized to do business in this Commonwealth, in amounts sufficient to pay any unpaid reimbursement to the Secretary of the Department of Housing and Urban Development and to restore the

Fund to its original balance. Provided that the amount assessed each insurer shall be in the same proportion that the premiums earned by each such insurer in this Commonwealth bear to the aggregate premiums earned in this Commonwealth by all insurance companies on those lines for which reinsurance was available in this Commonwealth from the Secretary of the Department of Housing and Urban Development during the preceding calendar year.

Section 8. In the event any insurer fails, by reason of insolvency, to pay any assessment as provided herein, the amount assessed each insurer, as computed under Section 7 (b) shall be immediately recalculated excluding therefrom the insolvent insurer so that its assessment is, in effect, assumed and redistributed among the remaining insurers.

Section 9. All monies received by the Commissioner of Insurance as a result of the assessments required by this Act shall be deposited in the Riot or Civil Disorders Reinsurance Reimbursement Fund for amounts payable, if any, to the Secretary of the Department of Housing and Urban Development in the manner provided under Section 8 of this Act.

Section 10. Insurers may add to the premiums applicable to the lines on which the assessment is levied, an amount to be approved by the Commissioner of Insurance, sufficient to recover within not more than three years any amounts assessed under Section 7(b) of this Act during the preceding calendar year, together with the amount of costs and expenses reasonably attributable to such assessments and recovery thereof.

Section 11. This Act shall no longer be of any force or effect after December 31, 1972, or after the expiration of the Urban Property Protection and Reinsurance Act of 1968, whichever shall first occur, except that obligations incurred by the Association to be established pursuant to the provision of this Act shall not be impaired by the expiration of this Act and such Association shall be continued for the purpose of performing such obligations.

Section 12. Whereas, it is increasingly difficult for responsible applicants to secure property insurance, in normal insur-

ance markets, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

HB 226, AN ACT relating to registration of securities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 292.310 of the Kentucky Revised Statutes is amended to read as follows: When used in this chapter, unless the context otherwise requires:

(1) "Director" means the Director of the Division of Securities in the Department of Banking and Securities;

(2) "Agent" means any individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect sales of securities, but "agent" does not include an individual who represents an issuer in (a) effecting a transaction in a security exempted by subsections (1), (2), (3), (9), (10) or (11) of KRS 292.400, (b) effecting transactions exempted by KRS 292.410 or (c) effecting transactions with existing employes, partners or directors of the issuer if no commission or other remuneration is paid or given directly or indirectly for soliciting any person in this state. A partner, officer, or director of a broker-dealer or issuer is an agent only if he otherwise comes within this definition;

(3) "Broker-Dealer" means any person engaged in the business of effecting transactions in securities for the account of others or for his own account. "Broker-Dealer" does not include (a) an agent, issuer, bank, savings institution, or trust company, (b) a person who has no place of business in this state if he effects transactions in this state exclusively with or through the issuers of the securities involved in the transactions, other broker-dealers, or banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees, or (c) a person who has no place of business in this state if during any period of twelve consecutive months he does not direct more than fifteen offers to sell or to

buy into this state in any manner to persons other than those specified in paragraph (b);

(4) "Guaranteed" means guaranteed as to payment of principal, interest, or dividends;

(5) "Investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities. "Investment adviser" does not include (a) a bank, savings institution, or trust company; (b) a lawyer, accountant, engineer, or teacher whose performance of these services is solely incidental to the practice of his profession, (c) a broker-dealer; (d) a publisher of any bona fide newspaper, news magazine, or business or financial publication of general, regular, and paid circulation; (e) a person whose advice, analyses, or reports relate only to securities exempted by KRS 292.400 (1); (f) a person who has no place of business in this state if 1. his only clients in this state are other investment advisers, broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees, or 2. during any period of twelve consecutive months he does not direct business communications into this state in any manner to more than five clients other than those specified in subparagraph 1, or (g) such other persons not within the intent of this subsection as the director may by rule or order designate;

(6) "Issuer" means any person who issues or proposes to issue any security, except that with respect to certificates of deposit, voting trust certificates, or collateral-trust certificates, or with respect to certificates of interest or shares in an unincorporated investment trust not having a board of directors (or persons performing similar functions) or of the fixed, restricted management, or unit type, the term "issuer" means the person or persons performing the acts and assuming the duties of depositors or manager pursuant to the provisions of the trust or other agreement or instrument under which the security is issued;

[(7) "Non-issuer" means not directly or indirectly for the benefit of the issuer;]

(7) "Non-issuer" means any distribution or transaction which is not directly or indirectly for the benefit of the issuer or distribution or transaction by a person who does not control and is not controlled by, or under common control with the issuer.

(8) "Person" means an individual, a corporation, a partnership, an association, a joint-stock company, a trust where the interests of the beneficiaries are evidenced by a security, an unincorporated organization, a government, or a political subdivision of a government;

(9) "Sale" or "sell" includes every contract of sale of, contract to sell, or disposition of, a security or interest in a security for value. "Offer" or "offer to sell" includes every attempt to offer to dispose of, or solicitation of an offer to buy, a security or interest in a security for value. Any security given or delivered with, or as a bonus on account of, any purchase of securities or any other thing is considered to constitute part of the subject of the purchase and to have been offered and sold for value. A purported gift of assessable stock is considered to involve an offer and sale. Every sale or offer of a warrant or right to purchase or subscribe to another security of the same or another issuer, as well as every sale or offer of a security which gives the holder a present or future right or privilege to convert into another security of the same or another issuer, is considered to include an offer of the other security;

(10) "Securities Act of 1933," "Securities Exchange Act of 1934," "Public Utility Holding Company Act of 1935," and "Investment Company Act of 1940" mean the federal statutes of those names as amended before or after January 1, 1961;

(11) "Security" means any note, stock, treasury stock, bond, debentures, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security; or, in general, any interest or instrument commonly known as a "security," or any certificate of interest

or participation in, temporary or interim certificate for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. "Security" does not include any insurance or endowment policy or annuity contract under which an insurance company promises to pay a fixed number of dollars either in a lump sum or periodically for life or some other specified period;

(12) "State" means any state, territory, or possession of the United States, as well as the District of Columbia and Puerto Rico.

Section 2. Section 292.330 of the Kentucky Revised Statutes is amended to read as follows:

(1) It is unlawful for any person to transact business in this state as a broker-dealer or agent, except in transactions exempt under KRS 292.410, unless he is registered under this chapter. It is unlawful for any broker-dealer or issuer to employ an agent unless the agent is registered. It is unlawful for any person to transact business in this state as an investment adviser unless (a) he is registered under this chapter, or (b) he is registered as a broker-dealer under this chapter, or (c) his only clients in this state are investment companies as defined in the Investment Company Act of 1940 or insurance companies.

(2) A broker-dealer, agent, or investment adviser may apply for registration by filing with the director an application together with a consent to service of process pursuant to KRS 292.430 and payment of the fee prescribed in subsection (5). Registration of a broker-dealer automatically constitutes registration of all partners, officers or directors of such broker-dealer as agents (except any partner, officer or director whose registration as an agent is denied, suspended or revoked under subsection (7)) without the filing of applications for registration as agents or the payment of fees for registration as agents. The application shall contain whatever information the director requires concerning such matters as:

(a) The applicant's form and place of organization;

(b) The applicant's proposed method of doing business;

(c) The qualifications and business history of the applicant and in the case of a broker-dealer or investment adviser, any partner, officer, or director;

(d) Any injunction or administrative order or conviction of a misdemeanor involving a security or any aspect of the securities business and any conviction of a felony; and

(e) The applicant's financial condition and history.

(3) If no denial order is in effect and no proceeding is pending under subsection (7), registration becomes effective at noon of the thirtieth day after an application is filed. The director may specify an earlier effective date and he may by order defer the effective date until noon of the thirtieth day after the filing of any amendment. The director may require as conditions of registration:

(a) That the applicant (and, in the case of a corporation or partnership, the officers, directors or partners) pass a written examination as evidence of knowledge of the securities business;

(b) That a broker-dealer have a minimum capital, but the director shall not require capital in excess of $10,000; and

(c) That a broker-dealer post a surety bond in an amount up to $10,000, except that no such bond may be required of any broker-dealer whose capital exceeds $25,000. An appropriate deposit of cash or securities shall be accepted in lieu of any required surety bond. Every surety bond shall provide for suit thereon by any person who has a cause of action under KRS 292.991, and every such bond shall provide that no suit may be maintained to enforce any liability on the bond unless brought within two years after the sale or other act upon which it is based.

Registration of a broker-dealer, agent or investment adviser shall be effective until March 1 of the following year and may be renewed as hereinafter provided. The registration of any agent is not effective during any period when he is not associated with an issuer or a registered broker-dealer specified in his application or a notice filed with the director. When an agent begins or terminates a connection with an issuer or registered broker-dealer, the agent and the issuer or broker-dealer shall promptly notify the director.

(4) Registration of a broker-dealer, agent or investment adviser may be renewed by filing with the director prior to the expiration thereof an application containing such information as

the director may require to indicate any material change in the information contained in the original application or any renewal application for registration as a broker-dealer, agent or investment adviser filed with the director by the applicant, payment of the prescribed fee and, in the case of a broker-dealer, a financial statement showing the financial condition of such broker-dealer as of a date within ninety days. A registered broker-dealer or investment adviser may file an application for registration of a successor, whether or not the successor is then in existence, for the unexpired portion of the year without payment of any fee.

[(5) The fee for initial or renewal registration shall be one hundred dollars for a broker-dealer, fifty dollars for an investment adviser, and fifteen dollars for an agent.]

(5) The fee for initial or renewal registration shall be one hundred dollars for broker-dealer, fifty dollars for an investment adviser, fifteen dollars for an agent and five dollars for transfer of an agent. The fee for withdrawal of an agent's application shall be five dollars.

(6) Every registered broker-dealer and investment adviser shall make and keep such accounts and other records, except with respect to securities exempt under KRS 292.400(1), as the director prescribes. All records so required shall be preserved for three years unless the director prescribes otherwise for particular types of records. All of the records of a registered broker-dealer or investment adviser are subject at any time or from time to time to such reasonable periodic, special or other examinations by representatives of the director, within or without this state, as the director deems necessary or appropriate in the public interest or for the protection of investors.

(7) The director may by order deny, suspend, or revoke registration of any broker-dealer, agent or investment adviser if he finds that the order is in the public interest and that the applicant or registrant or, in the case of a broker-dealer or investment adviser, any partner, officer or director;

(a) Has filed an application for registration under this section which, as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in any material respect or contained any statement which was, in

the light of the circumstances under which it was made, false or misleading with respect to any material fact;

(b) Has wilfully violated or wilfully failed to comply with any provision of this chapter or a predecessor law or any rule or order under this chapter or a predecessor law;

(c) Has been convicted, within the past ten years, of any misdemeanor involving a security or any aspect of the securities business, or any felony;

(d) Is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the securities business;

(e) Is the subject of an order of the director denying, suspending, or revoking registration as a broker-dealer, agent, or investment adviser;

(f) Is the subject of an order entered within the past five years by the securities administrator of any other state or by the Securities and Exchange Commission denying or revoking registration as a broker-dealer or agent, or the substantial equivalent of those terms as defined in this chapter, or is the subject of an order of the Securities and Exchange Commission suspending or expelling him from a national securities exchange or national securities association registered under the Securities Exchange Act of 1934, or is the subject of a United States Post Office fraud order; but 1. the Director may not institute a revocation or suspension proceeding under this paragraph more than one year from the date of the order relied on, and 2. he may not enter any order under this paragraph on the basis of an order unless that order was based on facts which would currently constitute a ground for an order under this section;

(g) Has engaged in dishonest or unethical practices in the securities business;

(h) Is insolvent, either in the sense that his liabilities exceed his assets or in the sense that he cannot meet his obligations as they mature; but the director may not enter an order against a broker-dealer or investment adviser under this paragraph without a finding of insolvency as to the broker-dealer or investment adviser; or

(i) Has not complied with a condition imposed by the director under subsection (3), or is not qualified on the basis of such factors as training, experience, or knowledge of the securities business; or

(j) Has failed to pay the proper filing fee; but the director may enter only a denial order under this clause, and he shall vacate any such order when the deficiency has been corrected.

The director may not institute a suspension or revocation proceeding on the basis of a fact or transaction known to him when registration became effective. The director may by order summarily postpone or suspend registration pending final determination of any proceeding under this subsection. Upon the entry of the order, the director shall promptly notify the applicant or registrant, as well as the employer or prospective employer if the applicant or registrant is an agent, that it has been entered and of the reasons therefor and that within fifteen days after the receipt of a written request the matter will be set down for hearing. If no hearing is requested and none is ordered by the director, the order will remain in effect until it is modified or vacated by the director. If a hearing is requested or ordered, the director, after notice of and opportunity for hearing, may modify or vacate the order or extend it until final determination. No order may be entered under this section denying or revoking registration without appropriate prior notice to the applicant or registrant (as well as the employer or prospective employer if the applicant or registrant is an agent), opportunity for hearing, and written findings of fact and conclusions of law.

(8) If the director finds that any registrant or applicant for registration is no longer in existence or has ceased to do business as a broker-dealer, investment adviser or agent, or is subject to an adjudication of mental incompetence or to the control of a committee, conservator, or guardian, or cannot be located after reasonable search, the director may by order cancel the registration or application.

Section 3. Section 292.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) A registration statement may be filed by the issuer, any other person on whose behalf the offering is to be made, or a registered broker-dealer. Any document filed under this chap-

ter or a predecessor law within five years preceding the filing of a registration statement may be incorporated by reference in the registration statement to the extent that the document is currently accurate. The director may by rule or otherwise permit the omission of any item of information or document from any registration statement.

(2) The director may require as a condition of registration by qualification or coordination that (a) the proceeds from the sale of the registered security be impounded until the issuer receives a specified amount or (b) any security issued within the past three years, or to be issued, to a promoter for a consideration substantially different from the public offering price, or to any person for a consideration other than cash, be delivered in escrow to him or to some other depository satisfactory to him under an escrow agreement *the terms and conditions of which may be determined by the director and may include such terms* that the owners of such securities shall not be entitled to sell or transfer such securities from escrow until all other stockholders who have paid for their stock in cash shall have been paid a dividend or dividends aggregating not less than six percent of the initial offering price shown to the satisfaction of the director to have been actually earned on the investment in any common stock so held. *However, any escrow agreement may by application to the director be amended to allow assignments, transfers, or withdrawals of said securities if, to the satisfaction of the director, it would be in keeping with the purpose of this Act.* The director shall not reject a depository solely because of location in another state. In case of dissolution or insolvency during the time such securities are held in escrow, the owners of such securities shall not participate in the assets until after the owners of all other securities shall have been paid in full.

(3) For the registration of securities by notification or coordination or qualification, there shall be paid to the director a registration fee of one-twentieth of one percent of the aggregate offering price of the securities which are to be offered in this state, but the fee shall in no case be less than fifty dollars nor more than one thousand dollars. When a registration statement is withdrawn before the effective date or a pre-effective stop order is entered under KRS 292.390, the director shall retain fifteen dollars of the fee. For the registration of securities issued

by a face-amount certificate company or a redeemable security issued by an open-end management company or unit investment trust, as those terms are defined in the Investment Company Act of 1940, a new registration fee shall be paid each year that the registration remains in effect, based upon the aggregate offering price of such securities which are to be offered in this state during that year, even though the maximum fee was paid the preceding year; and the registration statement for such securities may be amended to increase the amount of securities to be offered.

(4) When securities are registered by notification or by coordination or by qualification, they may be offered and sold by the issuer, any other person on whose behalf they are registered or by any registered broker-dealer. Every registration shall remain effective until revoked by the director or until terminated upon request of the registrant with the consent of the director. All outstanding securities of the same class as a registered security are considered to be registered for the purpose of any non-issuer transaction. A registration statement which has become effective may not be withdrawn for one year from its effective date if any securities of the same class are outstanding.

(5) The director may require the person who filed the registration statement to file reports, not more often than quarterly, to keep reasonably current the information contained in the registration statement and to disclose the progress of the offering with respect to registered securities which (a) are issued by a face-amount certificate company or a redeemable security issued by an open-end management company or unit investment trust as those terms are defined in the Investment Company Act of 1940, or (b) are being offered and sold directly by or for the account of the issuer. The director shall impose a fee of five dollars for each such report filed with him.

Section 4. Section 292.410 of the Kentucky Revised Statutes is amended to read as follows: Except as hereinafter in this section expressly provided, KRS 292.330 to 292.390 shall not apply to any of the following transactions:

(1) Any isolated transaction, whether effected through a broker-dealer or not;

(2) Any non-issuer distribution of an outstanding security by a registered broker-dealer if (a) a recognized securities man-

ual contains the names of the issuer's officers and directors, a balance sheet of the issuer as of a date within eighteen months, and a profit and loss statement for either the fiscal year preceding that date or the most recent year of operations, or (b) the security has a fixed maturity or a fixed interest or dividend provision and there has been no default during the current fiscal year or within the three preceding fiscal years, or during the existence of the issuer and any predecessors if less than three years, in the payment of principal, interest, or dividends on the security;

(3) Any non-issuer transaction effected by or through a registered broker-dealer pursuant to an unsolicited order or offer to buy; but the director may by rule require that the customer acknowledge upon a specified form that the sale was unsolicited, and that a signed copy of each such form be preserved by the broker-dealer for a specified period;

(4) Any transaction between the issuer or other person on whose behalf the offering is made and an underwriter, or among underwriters;

(5) Any transaction in a bond or other evidence of indebtedness secured by a real or chattel mortgage or deed of trust, or by an agreement for the sale of real estate or chattels, if the entire mortgage, deed of trust, or agreement, together with all the bonds or other evidences of indebtedness secured thereby, is offered and sold as a unit;

(6) Any transaction by an executor, administrator, sheriff, marshal, receiver, trustee in bankruptcy, guardian, or conservator;

(7) Any transaction executed by a bona fide pledgee without any purpose of evading this chapter;

(8) Any offer or sale to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity;

(9) Any transaction pursuant to an offer directed by the offeror to not more than ten persons (other than those designated

in subsection (8)) in this state during any period of twelve consecutive months, whether or not the offeror or any of the offerees is then present in this state, if (a) the seller reasonably believes that all the buyers are purchasing for investment, and (b) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective buyer;

(10) Any offer or sale of a preorganization certificate or subscription if (a) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective subscriber, (b) the number of subscribers does not exceed ten, and (c) no payment is made by any subscriber;

(11) Any transaction pursuant to an offer to existing security holders of the issuer, including persons who at the time of the transaction are holders of convertible securities, nontransferable warrants, or transferable warrants exercisable within not more than ninety days of their issuance, if (a) no commission or other remuneration (other than a standby commission) is paid or given directly or indirectly for soliciting any security holder in this state, or (b) the issuer first files a notice specifying the terms of the offer and the director does not by order disallow the exemption within the next five full business days;

(12) Any offer (but not a sale) of a security for which registration statements have been filed under both this chapter and the Securities Act of 1933 if no stop order or refusal order is in effect and no public proceeding or examination looking toward such an order is pending under either act;

(13) The issuance of any stock dividend, whether the corporation distributing the dividend is the issuer of the stock or not, if nothing of value is given by stockholders for the distribution other than the surrender of a right to a cash dividend where the stockholder can elect to take a dividend in cash or stock;

(14) Any transaction incident to a right of conversion or a statutory or judicially approved reclassification, recapitalization, reorganization, quasi reorganization, stock split, reverse stock split, merger, consolidation or sale of assets[.];

(15) Any non-issuer transaction in a security, if (a) the transaction is at a price reasonably related to the current market

price (b) the security is registered with the United States Securities and Exchange Commission under Section 12 of the Securities Act of 1934 and the issuer files reports with the United States Securities and Exchange Commission pursuant to Section 13 of that Act, and (c) a copy of the Registration Statement filed with the United States Securities and Exchange Commission has been filed with the director together with copies of such other reports and exhibits as he may by rule or order require.

The director may by order deny or revoke the exemption specified in subsections (2) *and (15)* with respect to a specific security. Upon the entry of such an order, the director shall promptly notify all registered broker-dealers that it has been entered and of the reasons therefor and that within fifteen days of the receipt of a written request the matter will be set down for hearing. If no hearing is requested and none is ordered by the director, the order will remain in effect until it is modified or vacated by the director. If a hearing is requested or ordered, the director, after notice of and opportunity for hearing to all interested persons, may modify or vacate the order or extend it until final determination. No order under this subsection may operate retroactively. No person may be considered to have violated this chapter by reason of any offer or sale effected after the entry of an order under this subsection if he sustains the burden of proof that he did not know, and in the exercise of reasonable care could not have known of the order. In any proceeding under this chapter, the burden of proving an exemption from a definition is upon the person claiming it.

Section 5. A new section of Chapter 292 of the Kentucky Revised Statutes is created to read as follows:

(1) It is unlawful for any person directly or indirectly in this state:

(a) To effect any transaction in a security which involves no change in the beneficial ownership thereof or to enter any order, or orders, for the purchase or sale of any security with the knowledge that an order, or orders, of substantially the same size and substantially the same time and at substantially the same price for the sale or purchase of a security have been, or will be, entered by or for the same or affiliated persons for

the purpose of creating a false or misleading appearance of active trading in the security or a false or misleading appearance with respect to the market for a security;

(b) To effect alone or with one or more other persons a series of transactions in any security creating actual or apparent active trading in the security or raising or depressing the price of the security for the purpose of inducing the purchase or sale of the security by others; or

(c) To induce the purchase or sale of any security by the circulation or dissemination of information to the effect that the price of the security will, or is, likely to rise or fall because of market operations of any one or more persons conducted for the purpose of raising or depressing the price of the security if he is selling, or offering to sell, or purchasing, or offering to purchase, the security or is receiving consideration directly or indirectly from such person.

(2) It is unlawful for a broker-dealer to effect in this state any transaction in, or to induce the purchase or sale of any security by manipulative, deceptive or other fraudulant device or contrivance, including any fictitious quotation. The director may by rule define the terms "manipulative," "deceptive," "or other fraudulent device or contrivance."

Section 6. Section 292.991 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who wilfully violates any provision of this chapter except KRS 292.440, or who wilfully violates any rule or order under this chapter, or who wilfully violates KRS 292.440 knowing the statement made to be false or misleading in any material respect, shall upon conviction be fined not more than five thousand dollars or [imprisoned not more than three years] *confined in the penitentiary for not less than one year nor more than three years,* or both; but no person may be imprisoned for the violation of any rule or order if he proves that he had no knowledge of the rule or order. No indictment or information may be returned under this chapter more than five years after the alleged violation.

(2) The director may refer such evidence as may be available concerning violations of this chapter or of any rule

or order hereunder to the attorney general or the proper district attorney, who may in his discretion, with or without such a reference, institute the appropriate criminal proceedings under this chapter.

(3) Nothing in this chapter limits the power of the state to punish any person for any conduct which constitutes a crime by statute or at common law.

HB 360, AN ACT relating to foreign corporations engaged in lending money within this state and related activities thereto.

WHEREAS, it is desirable and in the public interest of the citizens of this state to encourage foreign lending institutions to lend money within this state for the purpose of the development of property within this state, and

WHEREAS, burdensome statutes relating to the qualifications of such foreign corporations discourage such foreign corporations from doing business within Kentucky and discourage foreign corporations from making mortgage money available within this state;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 287 of the Kentucky Revised Statutes is created to read as follows:

Any foreign lending institution including but not limited to: Any foreign banking corporation, any foreign corporation, all of the capital stock of which is owned by one or more foreign banking corporations, any foreign savings and loan association, any foreign insurance company; or any foreign corporation or association authorized by its charter to invest in loans secured by real property and organized under the laws of any other state shall not be considered to be doing, transacting or carrying on business in this state solely by reason of engaging in any or all of the following activities, either on its own behalf or as a trustee of a pension plan, employe's profit-sharing or retirement plan, or testamentary or intervives trust.

(1) The lending of money, or the acquisition by purchase, by contract to purchase, by making of advance commitments to purchase, or by assignment to it of loans, including construction loans, or any interest in loans, secured in whole or in part by mortgages, deeds of trust or other forms of security on real or personal property in this state, if such activities are carried on from outside this state by the lending institution or within this state by independent agencies on behalf of said foreign lending institution;

(2) The receipt of principal and interest on such loans;

(3) The making of physical inspections and appraisals of real or personal property which secures or is proposed to secure any loan by an officer or employe of a foreign lending institution if the officer or employe making any physical inspections and appraisals is not a resident of and does not maintain his place of business in this state;

(4) The ownership of any loans and the enforcement of any loans by trustee's sale, judicial process or deed in lieu of foreclosure or otherwise;

(5) The modification, renewal, extension, transfer or sale of loans or the acceptance of additional or substitute security therefor or the full or partial release of the security therefor or the acceptance of substitute or additional obligors thereon if the activities are carried on from outside this state by the lending institution or carried on within this state by independent agencies;

(6) The maintaining and defending of any action or suits relating to loans, mortgages, deeds of trust, security instruments or related agreements or activities referred to herein or incidental thereto;

(7) The engaging, by contractual arrangement, of a corporation, firm or association, qualified to do business in this state, which is not a subsidiary or parent of the lending institution or which is not under common management with the lending institution, to make collections and to service loans in any manner whatsoever, including the payment of ground rents, taxes, assessments, insurance and the like and the making, on behalf of the lending institution, of physical inspections and appraisals of

real or personal property securing any loans or property which is proposed to secure any loans, and the performance of any such engagement;

(8) The acquisition of title to the real or personal property covered by any mortgages, deeds of trust, or other security instrument, by trustees, pledgees, or judicial sales, or by deed in lieu of foreclosure or for the purpose of transferring title to any federal agency or instrumentality as the insurer or guarantor of any loans, the maintenance or defense of any action or suit relating to the possession of the property, and the retention of title to any real or personal property as acquired pending the orderly sale or other disposition thereof;

(9) The maintenance of bank accounts in banks, authorized or licensed to do and transact a banking business in this state.

Section 2. A new section of Chapter 287 of the Kentucky Revised Statutes is created to read as follows:

No foreign lending institution solely by reason of engaging in any one or more of the activities set forth in subsections (1) and (9) inclusive of Section 1 of this Act shall be required to qualify to do business in this state, nor shall the engaging in any of the activities set forth in subsections (1) to (9) of Section 1 of this Act cause the said foreign lending institution to have a situs within this state for the purpose of any kind of state or local taxation other than ad valorem taxes on real estate in this state.

The Committee Amendment to **HB 360** is as follows:

Amend printed copy of House Bill 360 on page 4, line 16, by: adding after the word "estate" the words "and personal property"

The Committee on State Government reported **SB 10** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 10, AN ACT relating to Legislative Auditing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 6.365 of the Kentucky Revised Statutes is amended to read as follows:

The Senate and the House of Representatives each shall submit to the Legislative Research Commission a list of four members of the majority party and two members of the minority party from the respective houses of the General Assembly, nominated by party caucuses in the respective houses. From this list the commission shall appoint two members of the majority party and one member of the minority party from each house, to constitute the Legislative Audit Committee. The committee shall be a sub-committee of the commission. The term of all members shall be two years from *January 15* [March 1] of each year in which the General Assembly meets in regular session and until their successors are appointed and have qualified. If a member of said committee ceases to be a member of the General Assembly, his appointment shall be vacated and the commission shall appoint a successor from the same house and party as that member to serve the remaining portion of his term. Members shall receive as compensation twenty-five dollars per day spent in the performance of their duties and shall be reimbursed for reasonable and necessary expenses in connection with such duties.

Section 2. Section 6.385 of the Kentucky Revised Statutes is amended to read as follows:

(1) The legislative auditor shall employ the most efficient personnel available. It is the intention and desire of the General Assembly to free the legislative auditor and his staff from partisan politics. The auditor and the staff shall not engage in or be associated with any partisan political activity.

(2) The legislative auditor may not serve in any ex officio capacity on an administrative board or commission, or have a financial interest in the transactions of any agency.

(3) The salary of the legislative auditor shall be *determined by the Legislative Research Commission upon recommendation of Legislative Audit Committee* [established by the legislature or the Legislative Research Commission at not more than $17,500 per year.] Other employes of the committee shall be paid in the same manner and through the same procedure used for the payment of salaries of other state employes. All employes shall be covered by the *Legislative Research Commission* [State Merit System and] classification and pay plan.

Section 3. Whereas, the provisions of this Act are of immediate necessity for the continuing functions of the Legislative Audit Committee, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

The Committee on State Government reported **HB 97** with the expression of opinion that the same should not pass.

The Committee on Elections and Constitutional Amendments reported **SB 66** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 66, AN ACT relating to absentee ballots.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 126.190 of the Kentucky Revised Statutes is amended to read as follows:

The county court clerk, after the ballots for an election have been printed, shall take the book of ballots and stubs for each precinct in which there are voters who have applied for absent voter's ballots and, commencing with the first ballot in the book, shall write the names and addresses of such absent voters on the primary stubs of the ballots, and across such stubs shall write the words, "Absent Voter." In the case of primary elections, the clerk shall use the ballot books in which are contained the ballots of the political party with which the particular voter is affiliated. After having made the entries above required, the county court clerk shall remove the ballots from the book [, with the secondary stubs attached,] and shall mail the ballots of each voter to the address given by him in his application, the ballot sent to each voter to correspond with the number on the stub on which such voter's name is written. *Neither the primary nor the secondary stub shall be attached to any absentee ballot, the detachable affidavit serving in lieu of the secondary stub.* There shall be enclosed with the ballot sent to each voter the two official envelopes for returning the ballot hereinafter provided for, and a copy of the instructions for absent voters. The ballot, envelopes and instructions shall be sent postage prepaid, and if the address of the applicant is outside the continental limits of the United States the same shall be sent air mail.

Section 2. Section 126.210 of the Kentucky Revised Statutes is amended to read as follows:

[(1)] The Secretary of State shall cause to be prepared and printed an appropriate number of inner envelopes for absent voter's ballots, for all counties. Each such envelope shall be gummed, ready for sealing. Upon one side of such envelope shall be *a detachable flap,* printed [,] in substantially the following form:

OFFICIAL ABSENT VOTER'S BALLOT

Precinct_____
Name or Number

Name of Voter _____

Residence (Street and number, if any) _____

County of_____ City or town of_____

[(2) On the other side of such envelope shall be printed the following oath:]

I do hereby swear that I am a citizen of the United States and that I am eligible to vote (now of the age of at least eighteen years or will be on the date of) in the election [;] to be held on the _____ day _____, 19____ (here insert the day of the election); that I will have been a resident of the State of Kentucky for at least one year preceding the election to be held on _____ day of _____ and a resident of the County of _____ for more than six months preceding such election, and a resident of _____ precinct of said County at least sixty days preceding such election; that I am a duly qualified voter of said precinct or said ward, and I am affiliated with the _____ political party, and I expect to be absent from said county at the time of said election.

_____
(Voter must sign here, and oath must be administered and attested.)

Subscribed and sworn to before me this _____ of

_____
(Official Title)

Such oath shall constitute prima facie evidence that the voter is qualified to vote if registered, unless the statements contained in such oath indicate the contrary.

Section 3. Section 126.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) Immediately following the closing of the polls on the election day, the county court clerk shall deliver to the county board of election commissioners the ballot boxes containing the ballots of absent voters. The board, before opening other ballot boxes, shall open the boxes containing absent voters' ballots, and remove the envelopes one at a time. As each envelope is removed, it shall be examined to ascertain whether the outer envelope is in proper form and bears the stamp of the county court clerk indicating that it was received prior to the closing of the polls. If the outer envelope is found to be satisfactory in these respects, the outer envelope shall be opened, and the inner envelope shall be examined for the purpose of ascertaining whether the inner envelope is regular and in the form and condition required by this chapter and is properly sealed, and the affidavit on the face thereof is regular and in the form required by this chapter. If the inner envelope is found to be satisfactory in these respects, the clerk of the county board of election commissioners shall read aloud the name of the absent voter. If the vote of such voter is not rejected on a challenge then made as hereinafter provided, the clerk shall then *detach the affidavit from the inner envelope, which shall remain sealed* [open the envelope and remove the ballot therefrom without unfolding it, and in such a way as not to expose the markings thereon or how the absent voter has voted]. The clerk shall write his name on the back of the *sealed envelope* [ballot] and then hand it to one of the members of the board of election commissioners, who shall write his name on the back of the *sealed envelope* [ballot, detach the secondary stub], and then place the *sealed envelope* [ballot] in a regular ballot box which has been provided for the purpose.

(2) When the name of an absent voter is read aloud by the clerk, the vote of such voter may be challenged and the challenge thereto may be determined and the vote accepted or rejected by the board of election commissioners as if the voter was present and voting in person, but if the envelopes and the

affidavit on the face of the inner envelope are regular, and substantially comply with the provisions of this chapter, they shall be considered as showing that the absent voter is prima facie entitled to vote. If the vote of an absent voter is rejected pursuant to the challenge, *the affidavit shall not be detached and* the inner envelope shall not be opened, and the clerk of the board of commissioners shall write on the envelope the word "rejected." Such rejected ballots shall be handled as other rejected ballots.

(3) After the absent voters' *sealed envelopes* [ballots] have been signed and redeposited in a ballot box, as provided in subsection (1), the box shall be thoroughly shaken so as to redistribute the *sealed envelopes* [ballots] in the box. The board of election commissioners shall then reopen the box, *open the sealed envelopes,* and count the ballots and tabulate them separately on sheets to be provided by the county court clerk.

(4) The two envelopes from each ballot, *the detached affidavits, and* [together with] the ballots [,] shall then be delivered to the county court clerk who shall retain them until thirty days after the election, when they shall be burned by the clerk in the presence of the county judge and the sheriff. If a contest or recount proceeding is instituted during said thirty-day period, the ballots shall not be burned but shall be disposed of as directed by the court in which such proceeding was instituted.

Calendar

HB 49, HB 364, HB 397 and **HR 41** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

The following Discharge Petition was filed by Representative Rickert in regard to **HB 16:**

DISCHARGE PETITION

Pursuant to House Rule 47 of the 1970 Regular Session of the Kentucky General Assembly, the following regularly elected and qualified members of the House hereby request that **HB 16** be discharged from the Committee on Rules, to which it was referred by the Committee on State Government, 1970, for consideration by the House as provided in the said rule.

1. John Swinford
2. W. H. DeMarcus
3. Nell G. McNamara
4. Brooks Hinkle
5. O. A. Durham
6. J. M. Salyers
7. T. P. Reynolds
8. Dwight Wells
9. R. K. Keith
10. James Alexander
11. Hershel Brown
12. Lavey Floyd
13. Raymond Collins
14. Glenn White
15. James I. Osborne
16. Russell Reynolds
17. Tommy Reed
18. Archie Brown
19. Gene Huff
20. Darvin Allen
21. J. White
22. Denver Knuckles
23. Ralph Mitchell
24. Herman Rattliff
25. Jon E. Rickert

This petition dated February 17, 1970

Report on Enrolled Bills

The Committee on Enrollment reported **HB 333** had been examined and found correctly enrolled. **HB 333** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 333 delivered, signed by President. Ordered delivered to the Governor.

Motions, Petitions and Communications (Cont.)

Representative Hinkle moved that **HB 364** be returned to the Committee on Education for the purpose of amending. Agreed.

The Speaker announced that **HB 239** was being recommitted to the Committee on State Government.

Orders of the Day

Representative McBrayer moved that consideration of **HB 159** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 192 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McCann moved the adoption of the following Amendment to **HB 192**:

Amend printed copy of House Bill 192 on page 1, by: striking all words below the enacting clause, and substituting therefor the following:

"Section 1. A new section of Chapter 365 of the Kentucky Revised Statutes is created to read as follows:

(1) Where unsolicited goods are delivered to a person, he has a right to refuse to accept delivery of the goods and is not bound to return such goods to the sender. Such unsolicited goods shall be deemed a gift to the recipient, who may use them or dispose of them in any manner without any obligation.

(2) The term "unsolicited" as used in subsection (1) does not include merchandise requested by the recipient or merchandise which is addressed to or intended for another person and which the recipient received by mistake.

(3) Nothing in this Act shall prohibit or prevent a person receiving unsolicited goods from returning such goods to the sender."

Agreed.

On the roll call the vote was yeas 95—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, Mc-

Kinney, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 192 as amended was passed and the title agreed to.

Representative Stuart moved that the vote by which **HB 192** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 272** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 66, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hinkle moved the adoption of the Committee Amendment to **HB 66**. Agreed.

On the roll call the vote was yeas 73—Alexander, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Conn, Curlin, Walter Davis, Dorris, Durham, Floyd, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, McBride, McCann, McNamara, Massey, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Sharpe, Siemens, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Wible, Wright, Wyatt, Yocom. Nays 18—Allen, Collins, J. A. Davis, DeMarcus, Freeman, Graves, J. Hardin, Lovins, McBrayer, McKinney, May, Murphy, Ray, Reed, Roberts, Salyers, Simmons, G. White.

HB 66 as amended was passed and the title agreed to.

Representative Baker moved that the vote by which **HB 66** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 36** and **SB 109** had been examined and found correctly enrolled. **SB 36** and **SB 109** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day (Continued)

Representative Kleier moved that consideration of **HB 83** be deferred and that it retain its position in Orders of the Day. Agreed.

Representative Lewis assumed the Speaker's Chair.

HB 85, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative Kleier moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Nett moved the adoption of the Committee Amendment No. 1 to **HB 85**. Agreed.

Representative Nett moved the adoption of the following Amendment No. 2 to **HB 85**:

Amend printed copy of House Bill 85 on page 1, line 3, before the word "The" insert "(1)"

and at the end of subsection (1) add:

"(2) Provisions of this Act shall not apply to voluntary firemen and policemen. "Voluntary" shall not be construed to include bona fide auxiliaries of full time paid fire departments or police departments."

On the roll call the vote was yeas 48—Allen, Baker, Blume, Blythe, Carter, Clarke, Collins, Conn, Curlin, Donnermeyer, Dorris, Freeman, Graves, Head, Hinkle, Holloway, Isler, Keene, Kenton, Kleier, Lindsay, Lovins, McBride, McCann, McKinney, McNamara, Miller, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Rattliff, Ray, W. J. Reynolds, Rickert, Salyers, Stuart, Tobin, Van Horn, West, Wheeler, Glenn White, John E. White, Wright, Wyatt. Nays 27—Alexander, Arnett, Bartley, Blandford, A. Brown, H. Brown, Chapman, W. Davis, Floyd, L. Hardin, Huff, Hughes, Keith, Kidd, King, Knuckles, Lewis, Mershon, Parish, Priddy, Reed, R. Reynolds, Roberts, Sharpe, Simmons, Wenz, Wible.

Amendment No. 2 to **HB 85** was adopted.

Representative Prather moved that **HB 85** be recommitted to the Committee on Banking and Insurance. Rejected.

Representative Ruh moved that **HB 85** be laid on the Clerk's desk.

On the roll call the vote was yeas 48—Alexander, Bartley, Blythe, Archie Brown, Edward G. Brown, Carter, Clapp, Clarke, Curlin, James A. Davis, Walter Davis, Donnermeyer, Durham, L. T. Hardin, Holloway, Huff, Isler, Keene, Keith, Kessinger, King, Lewis, Louden, McCann, McNamara, Massey, Mershon, Mitchell, Murphy, Osborne, Parish, Prather, Priddy, Reed, Russell Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Schmidt, Sharpe, Stuart, Swinford, Tobin, Wells, West, Wheeler, John E. White. Nays 40—Allen, Baker, Blandford, Blume, H. Brown, Chapman, Collins, Conn, Dorris, Freeman, Graves, J. Hardin, Head, Hinkle, Hughes, Kenton, Kidd, Kleier, Knuckles, Lindsay, Lovins, McBride, McKinney, Miller, Nett, Paxton, Peak, Pollitte, Rattliff, Ray, Salyers, Siemens, Simmons, Van Horn, Wenz, G. White, Wible, Wright, Wyatt, Yocom.

The motion that **HB 85** be laid on the Clerk's Desk was adopted.

Senate Message

Announcing passage of **HB 12** with Senate Amendment attached thereto.

Orders of the Day (Continued)

HB 150 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 90—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McKinney, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 150 was passed and the title agreed to.

Representative Hinkle moved that the vote by which **HB 150** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 365 taken from Orders of the Day and ordered read at length for the third time. Representative Kleier moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 77—Alexander, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Bruce, Carroll, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Knuckles, Lindsay, Louden, McBrayer, McBrayer, McBride, McCann, McKinney, McNamara, Massey, Mershon, Miller, Mitchell, Murphy, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, T. P. Reynolds,

W. J. Reynolds, Rickert, Ruh, Schmidt, Sharpe, Siemens, Simmons, Stuart, Van Horn, Wells, Wenz, West, Wheeler, John E. White, Wible, Wright, Wyatt, Yocom. Nays 8 — Arnettt, H. Brown, Lewis, Lovins, Ray, Roberts, Salyers, G. White.

HB 365 was passed and the title agreed to.

Representative Kleier moved that the vote by which **HB 365** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 205 as amended taken from Orders of the Day. Representative Kleier moved that it be placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 90—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 205 as amended was passed and the title agreed to.

Representative Kleier moved that the vote by which **HB 205** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 93 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 77—Alexander, Arnett, Baker, Blandford, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, Deskins, Donnermeyer, Dorris, Floyd, Graves,

Haney, John O. Hardin, L. T. Hardin, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Schmidt, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, Glenn White, Wible, Wyatt, Yocom. Nays 3—A. Brown, Huff, Sharpe.

HB 93 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 93** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 140 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 85—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Priddy, Rattliff, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wyatt, Yocom. Nays 0.

HB 140 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 140** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 141 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that

it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Amendment to **HB 141**. Agreed.

On the roll call the vote was yeas 84—Alexander, Allen, Arnett, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 141 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 141** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Speaker Pro Tempore Blume presiding.

HB 160 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 73—Alexander, Allen, Baker, Bartley, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh,

Salyers, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 160 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 160** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 209 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 209 was passed and the title agreed to.

Representative Priddy moved that the vote by which **HB 209** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 263 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 84—Alexander, Allen, Arnett, Baker, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Chapman, Clarke, Collins, Conn, Curlin,

James A. Davis, Walter Davis, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McNamara, Massey, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 263 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 263** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 307 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 50 – Alexander, Allen, Bartley, Blandford, Blume, Blythe, Edward G. Brown, Hershel Brown, Carroll, Chapman, Clapp, Conn, Curlin, James A. Davis, Deskins, Donnermeyer, John O. Hardin, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Louden, McBrayer, McBride, McKinney, Massey, May, Mershon, Murphy, Nett, Osborne, Parish, Prather, Priddy, Ray, Reed, W. J. Reynolds, Rickert, Ruh, Schmidt, Van Horn, Wells, John E. White, Wyatt, Yocom. Nays 28–Baker, A. Brown, Carter, Clarke, Collins, Dorris, Freeman, Graves, Head, Kleier, Knuckles, Lewis, Lovins, McCann, Mitchell, Paxton, Peak, Pollitte, Roberts, Salyers, Siemens, Swinford, Tobin, Wenz, West, Wheeler, G. White, Wible.

HB 307 was passed and the title agreed to.

Representative Ray moved that the vote by which **HB 307** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 329 taken from Orders of the Day and and ordered read at length for the third time. Representative McBrayer moved

that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 82—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, Donnermeyer, Dorris, Durham, Graves, Haney, John O. Hardin, Head, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McNamara, Massey, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 1—Freeman.

HB 329 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 329** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HJR 32, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Wright moved the adoption of the Committee Amendment to **HJR 32**. Agreed.

On the roll call the vote was yeas 80—Allen, Arnett, Baker, Bartley, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Freeman, Graves, Head, Holloway, Huff, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Lewis, Louden, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn,

Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HJR 32 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HJR 32** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 49 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage.

Representative Pollitte moved the adoption of **HR 49.** Agreed.

HR 49, A RESOLUTION relating to the Martin's Fork Reservoir.

WHEREAS, plans have been completed and some funds allocated for land acquisition for the construction of the Martin's Fork Reservoir in Harlan County, Kentucky; and

WHEREAS, uncontrolled floods now wreak havoc in Harlan County, Kentucky; and

WHEREAS, the rapid construction of this Reservoir will in part alleviate this danger; and

WHEREAS, the Cumberland River also contributes to the flood problems of Harlan County; and

WHEREAS, the flood control problems of Harlan County, Kentucky, have now reached emergency proportions;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the President of the United States is urged to allocate additional funds for more rapid construction of the Martin's Fork Reservoir in Harlan County, Kentucky.

Section 2. That the United States Corps of Engineers is requested to institute a feasibility study of additional flood control facilities on the Cumberland River in Harlan County, Kentucky.

Section 3. That the Clerk is directed to forward attested copies of this Resolution to the President of the United States, to the United States Corps of Engineers, to the Director of the United States Bureau of the Budget, and to each member of the United States Congress representing Kentucky.

SR 14 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 78—Alexander, Arnett, Baker, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Lewis, Louden, Lovins, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, Russell Reynolds, Rickert, Ruh, Salyers, Schmidt, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

SR 14 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **SR 14** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 473.**

Appropriations and Revenue: **HB 468, HB 478, HB 491.**

Banking and Insurance: **HB 470.**

Business Organizations and Professions: **HB 477, HB 487, HB 490.**

Education: **HB 481, HB 486.**

Elections and Constitutional Amendments: **HB 469.**

Health and Welfare: **HB 472, HB 485.**

Highways and Traffic Safety: **HB 484.**

Judiciary: **HB 471, HB 474, HB 475, HB 479, HB 480, HB 482, HB 483, HB 488, HB 489.**

Public Utilities and Transportation: **HB 476.**

Rules: **HR 50.**

Representative Rickert moved that the Rules be suspended to return to the Report of Committees. Agreed.

Report of Committees

The Committee on Rules reported **HB 112** with Committee Amendment attached thereto, **HB 132, HB 155, HB 158, HB 165** with Committee Amendment attached thereto, **HB 184** with Committee Amendment attached thereto, **HB 221, HB 227, HB 234, HB 245, HB 254, HB 284, HB 295, HB 304, HB 408,** and **HCR 43** have been posted for passage in Orders of the Day, February 18, 1970.

The Committee on Rules reported **HB 124** has been recommitted to the Committee on Appropriations and Revenue to determine cost.

The Committee on Rules reported **HB 142** has been returned to the Committee on Appropriations and Revenue for study of cost.

The Committee on Rules reported **HB 261** has been returned to the Committee on Appropriations and Revenue for study of revenue implications.

The Committee on State Government reported **HB 95,** with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 95, AN ACT relating to legal holidays.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 2.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The 1st day of January (New Year's Day), the 19th day of January (Robert E. Lee Day), the 30th day of January (Franklin D. Roosevelt Day), the 12th day of February (Lincoln's Birthday), the *third Monday in* [22nd day of] February (Washington's Birthday), the *last Monday in* [30th day of] May (Memorial Day), the 3rd day of June (Confederate Memorial Day, and Jefferson Davis Day), the 4th day of July (Independence Day, the first Monday in September (Labor Day), the *second Monday in* [12th day of] October (Columbus Day), the *fourth Monday in October* [11th day of November] (Veterans Day), the 25th day of December (Christmas Day), *each Saturday in January, February and March* of each year, and all days appointed by the President of the United States or by the Governor as days of thanksgiving, are holidays, on which all the public offices of this Commonwealth may be closed; and, subject to the provisions of subsection (2) hereof, shall be considered as Sunday for all purposes regarding the presenting for payment or acceptance, and of protesting for and giving notice of the dishonor of bills of exchange, bank checks and promissory notes, placed by law upon the footing of bills of exchange. If any of the days named as holidays occur on Sunday, the next day thereafter shall be observed as a holiday but bills of exchange or other papers may be presented for payment or acceptance on the Saturday preceding the holiday, *including any Saturday in January, February and March* and proceeded on accordingly.

(2) Any bank, trust company, or combined bank and trust company may, at its option, either close or remain open for business on the 19th day of January (Robert E. Lee Day), the 30th day of January (Franklin D. Roosevelt Day), the 12th day of February (Lincoln's Birthday), the *third Monday in* [22nd day of] February (Washington's Birthday), the 3rd day of June (Confederate Memorial Day, and Jefferson Davis Day), the *second Monday in* [12th day of] October (Columbus Day), and the *fourth Monday in October* [11th day of November]

(Veterans Day). Any bank, trust company, or combined bank and trust company electing to remain open on such of the above mentioned holidays may do so and as to such bank, trust company, or combined bank and trust company such day or days shall not constitute a holiday within the meaning of the provisions of the negotiable instrument law or any other law of the Commonwealth and such bank, trust company, or combined bank and trust company shall incur no liability by reason of remaining open on such holiday, provided that any bank, trust company, or any combined bank and trust company, electing to remain open on any of the above mentioned holidays which occurs on a Monday, Tuesday, Wednesday, Thursday or Friday shall remain closed the following Saturday, *or shall comply with KRS 287.197.* If any such bank, trust company, or combined bank and trust company elects to close on such holidays, any act authorized, required or permitted to be performed at or by such bank, trust company, or combined bank and trust company, may be performed on the next succeeding business day and no liability or loss of rights of any kind shall result from remaining closed notwithstanding the provisions of any law of this Commonwealth to the contrary. The provisions of this section shall not operate to invalidate or prohibit the doing on any of the aforementioned legal holidays of any act by any person or bank or trust company, or combined bank and trust company, and nothing in this section shall, in any manner whatsoever affect the validity of or render void or voidable the payment, certification or acceptance of a check or any other negotiable instrument or any other transaction by any person or bank or trust company or combined bank and trust company because done or performed during any of the aforesaid holidays, notwithstanding the provisions of any other law of this Commonwealth to the contrary.

(3) No person shall be compelled to labor on the first Monday in September (Labor Day) by any person.

Section 2. Section 287.197 of the Kentucky Revised Statutes is amended to read as follows:

Notwithstanding any law to the contrary, a bank, trust company or combined bank and trust company electing under KRS 287.195 to close on a day other than Saturday and electing to remain open for business on the 19th day of January (Robert E.

Lee Day), the 30th day of January (Franklin D. Roosevelt Day), the 12th day of February (Lincoln's Birthday), the *third Monday in* [22nd day of] February (Washington's Birthday), the 3rd day of June (Confederate Memorial Day, and Jefferson Davis Day), the *second Monday in* [12th day of] October (Columbus Day), and the *fourth Monday in October* [11th day of November] (Veterans Day) shall not be required to close on the following Saturday but instead shall close on its normal closing day.

Section 3. Whereas, the General Assembly is now in session and the current workload is such that changes in the structure of legal holidays are necessary to insure that the General Assembly may accomplish those tasks before it, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

The Committee Amendment No. 1 to **HB 95** is as follows:

Amend printed copy of House Bill 95 on page 2, lines 15 & 16 by: deleting the following: *"including any Saturday in January, February and March"*

and on page 2, lines 2 & 3, by deleting the following: *"each Saturday in January, February and March"*

and on page 4, lines 18-23 by deleting lines 18-23 in their entirety.

The Committee Amendment No. 2 to **HB 95** is as follows:

Amend printed copy of House Bill 95 on page 4, by: striking lines 18 through 23 in their entirety.

Representative Baker moved that the Rules be suspended for Introduction of Bills and Resolutions. Agreed.

HB 499, by Representatives Baker, Durham, L. T. Hardin, Peak, Hughes, McCann and Clapp: AN ACT relating to shoplifting.

HB 500, by Representatives Stuart, Curlin, Lewis, Mitchell and Murphy: AN ACT relating to the sanitation and safety of boats.

HB 501, by Representatives H. Brown, A. Brown, L. T. Hardin, Sharpe, Simmons, McKinney, Wells, Hinkle, McNamara

and E. G. Brown: AN ACT relating to teacher's retirement allowances.

HB 502, by Representatives Miller, Yocom, Hughes, Wyatt and Kidd: AN ACT relating to civil service in cities of the first class.

HB 503, by Representatives Yocom, Nett, Siemens, Miller, Blythe, Ray and Wright: AN ACT relating to repair, closing or demolition of structures by cities.

HB 504, by Representative Priddy: AN ACT relating to real property.

HB 505, by Representative Lewis: AN ACT relating to workmen's compensation.

HJR 51, by Representative Blythe: A JOINT RESOLUTION creating and awarding a Kentucky Distinguished Service Medal to members of the Kentucky National Guard.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Agriculture and Natural Resources: **HR 48, HB 362, HB 464, SB 197, HJR 45.** (Room 401, February 18, 1970, 11:00 a.m.)

Appropriations and Revenue: **HB 491, HB 478, HB 442, HB 421, HB 79.** (Room 402, February 19, 1970, on adjournment)

State Government: **HB 23, HB 370, HB 391.**

Public Utilities and Transportation: **SB 61, SB 112, HB 417.** (Room 402, February 18, 1970, 9:30 a.m.)

Judiciary: **HB 430, HB 445.** (Room 402, February 20, 1970, 10:00 a.m.)

Judiciary: **HB 438.** (Room 327, February 19, 1970, 9:30 a.m.)

Highways and Traffic Safety: **HB 422, HR 38.** (Room 401, February 18, 1970, on adjournment)

Health and Welfare: **SB 18, HB 323, HB 277, HB 286, HB 373, HB 374, HB 375, HB 376, HB 382, HB 387.** (Room 401, February 18, 1970, 10:00 a.m.)

Counties and Special Districts: **HB 319, HB 407, HB 419, HB 444, HB 406.** (Room 402, February 19, 1970, 11:00 a.m.)

Cities: **HB 402, HB 354.** (Room 404, February 17, 1970, Special Meeting on adjournment)

Business Organizations and Professions: **HB 278, HB 308, HB 314, HB 342, HB 349, HB 355, HB 361, HB 462.** (Room 402, February 18, 1970, 11:00 a.m.)

Banking and Insurance: **SB 139.** (Room 402, February 24, 1970, 9:30 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

State Government: **HB 144.**

Business Organizations and Professions: **HB 427.**

Representative McBrayer moved that the House adjourn until 1:00 p.m., Wednesday, February 18, 1970.

On the roll call the vote was yeas 38—Alexander, Arnett, Bruce, Carroll, Carter, Chapman, Clarke, James A. Davis, John O. Hardin, Head, Hinkle, Hughes, Keith, Kenton, Kidd, Kleier, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McNamara, Nett, Peak, Prather, Priddy, Reed, Rickert, Ruh, Salyers, Van Horn, Wenz, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 2—Siemens, Swinford.

The motion to adjourn was adopted.

WEDNESDAY, FEBRUARY 18, 1970

THIRTY-FIFTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Earl S. Bell, Harlan Baptist Church, Harlan, Kentucky.

The roll was called. All present except Representatives A. Brown, Holloway, McGill and Parish.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 17, 1970, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SB 67, SB 76, SB 86, SB 90, SB 138, SB 193, SB 176** and **SB 206.**

Recess

Representative W. J. Reynolds moved that the House recess for twenty minutes for Majority Party Caucus. Agreed.

Representative Schmidt moved that the House recess for twenty minutes for Minority Party Caucus. Agreed.

At the appointed hour, the Speaker resumed the Chair and call the House to order.

Introduction of Bills and Resolutions

HB 506, by Representative Louden: AN ACT relating to lights on motor vehicles.

HB 507, by Representative Lewis: AN ACT relating to judicial districts.

HB 508, by Representative Blume: AN ACT relating to labor-management relations.

HB 509, by Representative Ray: AN ACT relating to collective bargaining for fire fighters.

HB 510, by Representative Hinkle: AN ACT relating to dog licenses.

HB 511, by Representatives May, Deskins, Wible and Durham: AN ACT relating to claims against decedent's estates.

HB 512, by Representatives May, Deskins, Wible and Durham: AN ACT relating to homestead exemption.

HB 513, by Representative May: AN ACT relating to witnesses.

HB 514, by Representatives Lewis and Baker: AN ACT relating to private business corporations.

HB 515, by Representatives Wright and Alexander: AN ACT relating to sheriffs.

HB 516, by Representative Durham: AN ACT relating to tax payments.

HB 517, by Representatives Wright and Alexander: AN ACT relating to sheriffs' compensation for collecting taxes.

HB 518, by Representative J. O. Hardin: AN ACT relating to interest and usury.

HR 52, by Representative Massey: A RESOLUTION requesting the Kentucky Department of Highways to name a roadside park in honor of William Taylor Runner.

HR 53, by Representatives Haney, T. P. Reynolds and Pollitte: A RESOLUTION requesting establishment of research centers to study the medical aspects of coal workers' pneumoconiosis.

HR 54, by Representatives Haney, T. P. Reynolds and Pollitte: A RESOLUTION requesting seminars to distribute information about coal workers' pneumoconiosis.

HJR 55, by Representatives McCann, Kenton, Hinkle and Wyatt: A JOINT RESOLUTION directing the Council on

Public Higher Education to study alternative methods of incorporating the University of Louisville into the state system of higher education and other aspects of higher education and requiring a report thereof containing recommendations.

HJR 56, by Representative Clapp: A JOINT RESOLUTION directing a comprehensive study of the administration, costs, and quality of common school education in the Commonwealth of Kentucky.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 492, HB 493.**

Appropriations and Revenue: **HB 495, HB 498.**

Banking and Insurance: **HB 497.**

Cities: **HB 502, HB 503.**

Counties and Special Districts: **HB 494.**

Education: **HB 501.**

Judiciary: **HB 496, HB 499, HB 504, HB 505.**

Public Utilities and Transportation: **HB 500.**

State Government: **HR 51.**

Report of Committees

The Committee on Appropriations and Revenue reported **HB 390** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 390, AN ACT relating to insurance licenses, fees and miscellaneous charges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 304.460 of the Kentucky Revised Statutes is amended to read as follows:

The commissioner shall collect in advance, and persons so served shall pay in advance to the commissioner, fees, licenses and miscellaneous charges as follows:

(1)	Annual statement of insurer:		
	(a) Filing, each year	$ *50.00*	[25.00]
	(b) Filing additional or supplemental statement in same year	$ *50.00*	[25.00]
(2)	For filing charter documents:		
	(a) Original charter documents, by-laws and records of organization of insurer, or certified copies thereof, required to be filed	$ *50.00*	[30.00]
	(b) Amended charter documents, or certified copy thereof [, no additional charge]	$ *10.00*	
(3)	Certificate of authority:		
	(a) Issuance of original certificate	$*200.00*	[25.00]
	(b) Amending, to add a line	$ *10.00*	
	(c) [(b)] Renewal, each year	$*100.00*	[1.00]
(4)	Organization of domestic *mutual* insurers:		
	[(a)] Filing application for solicitation permit and issuance of such permit [, mutual insurers]	$*100.00*	[10.00]
(5)	Agent's licenses, foreign and alien insurers:		
	(a) License for life insurer, whether or not disability *or health* insurance is included, each year	$ 5.00	
	(b) License for industrial life insurer only, each year	$ *5.00*	[2.00]
	(c) License for other insurance, each insurer represented, each year	$ *5.00*	[3.00]

(d) Limited license as travel insurance agent, each year ----------$ *5.00* [2.00]

(e) Temporary license as property and casualty agent [, each year] -$ *5.00* [3.00]

(f) Temporary license as life and disability *or health* agent [, each year] ----------$ 5.00

(g) Non-resident agent, *each year* ---$ 10.00

[(6)] [Broker's license:]

(6) [(a)] Surplus line broker, each year--$ *50.00* [25.00]

(7) Solicitor's license, each year ----------$ 15.00

(8) Adjuster's license [:] , *each year* -----$ *25.00*

[(a) Independent adjuster, each year-$ 25.00]

[(b) Public adjuster, each year -----$ 25.00]

[(c) Apprentice adjusters registration fee, each year ----------$ 10.00]

(9) *Consultant's license, each year* --------$ *25.00*

(10) [(9)] Examination, for or in connection with licensing of agents, solicitors and adjusters:

(a) Each examination, first line -----$ 10.00

(b) Each additional line ----------$ 5.00

(c) Re-examination of each line -----$ 5.00

(11) [(10)] Miscellaneous services:

(a) Filing other documents, each ----$ *2.00* [1.00]

(b) Commissioner's certificate under seal, other than certificates, licenses, and other documents above provided for, each -------$ *2.00* [1.00]

(c) For copies of any document on file with the commissioner, per page ----------$ .25 [.50]

(d) Copy of filing annual statements, per page ----------$ *1.00*

(e) [(d)] Service of process on commissioner ----------$ *5.00* [2.00]

(f) [(e)] Copy of agent's study manual ----------$ *5.00* [2.00]

(g) [(f)] Copy of Kentucky Insurance Laws ----------$ *5.00* [2.50]

Section 2. In the event that the insurance laws of the state are revised by action taken by the 1970 General Assembly, the Legislative Research Commission shall renumber or otherwise redesignate Section 1 of this Act in the context of that revision, but in so doing shall not alter the substance thereof.

Section 3. This Act shall become effective July 1, 1970.

The Committee on Judiciary reported **HB 125, HB 143** with Committee Amendment attached thereto, **HB 388, HB 389** with Committee Amendment attached thereto, and **SB 147** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 125, AN ACT relating to justices of the peace.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 64 of the Kentucky Revised Statutes is created to read as follows:

(1) The fiscal court of any county may pay to each justice of the peace or magistrate within the county a sum not to exceed $100 per month in order to assist with the expenses of his office. This sum shall not be considered as salary within the meaning of Section 64.255 of the Kentucky Revised Statutes.

(2) The amounts paid to each justice of the peace or magistrate within the county shall be equal. No justice or magistrate shall be compensated in a greater or lesser amount than another justice or magistrate.

(3) Said amount may be paid by the fiscal court only when the county possesses sufficient excess funds in its treasury

to permit such payments. Payments shall not be made where the funds are not sufficient to pay all of the justices or magistrates.

HB 143, AN ACT relating to inheritance taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 140.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Revenue shall have full supervision of the collection of all taxes due under the provisions of this chapter, including the power to institute suit in this and other states. It may employ attorneys and other persons necessary to carry out the full intent and purpose of this chapter. The department shall furnish, upon application, blank forms covering such information as may be necessary to determine the amount of tax due the state on the transfer of all property subject to tax.

(2) The department may cause personal representatives or beneficiaries to file all statements required by this chapter with the clerks of the proper courts and with the department, and may require them to furnish any additional information deemed necessary to support the computation of the amount of tax that should be paid by the estate. The personal representative shall in every case, when he files his inventory in the county court, file a duplicate thereof with the department. The personal representative shall compute the taxes imposed by this chapter on the tax return provided by the department. Such tax return shall be filed with the department within 18 months after the death of the decedent or at the time payment of the tax is made pursuant to KRS 140.210. *The personal representative is not required to file a return when the gross estate amounts to less than the aggregate of the exemptions allowed by KRS 140.070 to the estate, as shown by an affidavit of descent lodged for record in the office of the county clerk.*

(3) Except as herein provided, no action to enforce the collection of the tax imposed by this chapter shall be commenced more than ten years after the cause of action first accrued. In case the settlement of an estate is delayed because of litigation

or other unavoidable cause, as described in subsection (1) of KRS 140.210, such delay shall suspend the limitation, prescribed by this subsection, until the cause of delay is removed. In the case of a fraudulent return or any other fraudulent representation affecting the amount of or the liability for the tax imposed by this chapter notwithstanding any provision of limition provided elsewhere, the tax due by reason thereof may at any time be assessed and collected by the methods set out in this chapter, including action in a court of competent jurisdiction.

The Committee Amendment to **HB 143** is as follows:

Amend printed copy of House Bill 143 on page 2, line 4— after word "files" insert the words *"petition for probate of will or letters of administration and"*

line 11 — delete all of line 11 following the word "when"

lines 12, 13 and 14 — delete

line 11 — after word "when" insert the following:

"the exemption allowed by KRS 140.070 to each heir, as shown by the sworn petition of letters of administration lodged for record in the office of the county clerk, amounts to more than the amount each heir inherits. When the property valuation administrator is satisfied that the real and personal property are fairly valued and the intangible tax has been paid, he shall issue, in the name of the department, the proper waivers and consent to transfer property."

HB 388, AN ACT relating to crimes and punishments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 431.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) When any person accused of committing a felony is being tried for the commission of this crime, no evidence shall be admitted of any prior conviction of the accused nor shall any mention be made of any prior conviction. If the accused is found guilty in this trial of having committed a felony, evidence of any prior conviction for felony shall be admitted in order to determine the severity of the sentence in the manner provided in subsection (2) of this section.

(2) Any person convicted a second time of felony shall be confined in the penitentiary not less than double the time of the sentence under the first conviction; if convicted a third time of felony, he shall be confined in the penitentiary during his life. Judgment in such cases shall not be given for the increased penalty unless the jury finds, from the record and other competent evidence, the fact of former convictions for felony committed by the prisoner, in or out of this state.

HB 389, AN ACT relating to the operation of motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.565 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who operates a motor vehicle in this state is deemed to have given his consent to a chemical test of his blood, breath, urine or saliva for the purpose of determining the alcoholic content of his blood, if arrested for any offense arising out of acts alleged to have been committed while the person was driving or in actual physical control of a motor vehicle in this state while under the influence of intoxicating beverages. The test shall be administered at the direction of a law enforcement officer having reasonable grounds to believe the person to have been driving or in actual physical control of a motor vehicle in this state while under the influence of intoxicating beverages. The law enforcement agency by which the officer is employed shall designate which of the aforesaid tests shall be administered, and provide necessary equipment.

(2) Any person who is dead, unconscious or who is otherwise in a condition rendering him incapable of refusal, is deemed not to have withdrawn the consent provided in subsection (1) of this section and the test may be given.

(3) If a person under arrest refuses upon the request of a law enforcement officer to submit to a chemical test designated by the law enforcement agency as provided in subsection (1) of this section, *the requesting officer shall warn the person of the effect of his refusal to submit to the test. If the person again refuses,* none shall be given, but the Department of Public Safety,

upon the receipt of a sworn report of the law enforcement officer that he had reasonable grounds to believe the arrested person had been driving or was in actual physical control of a motor vehicle in this state while under the influence of intoxicating beverages, [and] that the person refused to submit to the test upon the request of the law enforcement officer, *and that the person again refused to submit to the test after the law enforcement officer warned him of the effect of his refusal,* shall revoke the license or permit of the person refusing to take the test for a period of not more than six months; or if the person arrested be a nonresident, his operating permit or privilege shall be revoked for not more than six months; or if the person is a resident without a license or permit to operate a motor vehicle in this state, the department shall deny to the person the issuance of a license or permit for a period of six months after the date of the alleged violation, subject to review as hereinafter provided. *The sworn report of the law enforcement officer stating that he had warned the person under arrest of the effect of his refusal to submit to a chemical test shall be proof that such warning had been given.*

(4) Upon revoking the license or permit to drive or nonresident operating privilege of any person, or upon determining that the issuance of a license or permit shall be denied to the person, the Commissioner of the Department of Public Safety shall immediately notify the person in writing by mailing the notice to the person by certified or registered mail to the last known residence address of the person, or, if the address is unknown, to the last known business address of the person. Within ten days after receiving the notice, the person may request a hearing before the commissioner. Request for a hearing does not suspend the order of revocation. The hearing shall be scheduled as early as practical within not to exceed twenty days after receipt of such request at a time and place designated by the commissioner. The notice of hearing shall be served in the same manner as the notice of revocation or denial of a license. For the purpose of the hearing, the commissioner may appoint an examiner who shall have power to preside at the hearing. Upon the hearing the commissioner or his duly authorized agent may administer oaths and may issue subpoenas for the attendance of witnesses and the production of relevant books and papers and

may require a reexamination of the licensee. The scope of the hearing shall cover the issues of whether a law enforcement officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle in this state while under the influence of intoxicating beverages, whether the person was placed under arrest, and whether he refused to submit to the test upon request of the officer. [Whether the person was informed that his privilege to drive would be revoked or denied if he refused to submit to the test shall not be an issue.] All testimony at the hearing shall be recorded. The commissioner's ruling shall include a statement of the findings of fact, rulings of law and other matters pertinent to the question at issue. The commissioner within 10 days after the completion of the hearing shall order that the revocation or determination that there should be a denial of issuance either be rescinded or sustained. The commissioner shall immediately notify the person of his ruling in writing by certified or registered mail.

(5) If the revocation or determination that there should be a denial of issuance is sustained after the hearing, the person whose license or permit to drive or non-resident operating privilege has been revoked, or to whom a license or permit is denied, under the provisions of this section, may file a petition in the circuit court of the county in which the person resides or in the circuit court of the county in which the alleged offense was committed or in Franklin Circuit Court to review the final order of revocation or denial by the commissioner within twenty days after the final order has been issued. The appeal does not suspend the order of revocation unless a stay thereof is allowed by the court pending a final determination of the review. If a stay is allowed, and the final judgment of the court finds against the person appealing, the period of revocation is determined by taking into account the period of time during which the revocation was effective before the stay was granted. The Department of Public Safety shall file with its answer a copy of the commissioner's ruling and a transcript of evidence. The court's review is limited to whether the commissioner's ruling is supported by substantial evidence and whether his action is arbitrary or capricious. An appeal to the Court of Appeals does not suspend the order of revocation unless a stay thereof is allowed by the court

pending a final determination of the review. If a stay is allowed, and the final judgment of the court finds against the person appealing, the period of revocation is determined by taking into account the period of time during which the revocation was effective before the stay was granted.

(6) When it has been finally determined that a nonresident's privilege to operate a motor vehicle in this state has been revoked, the department shall give information in writing of the action taken to the motor vehicle administrator of the state of the person's residence and of any state in which he has a license.

The Committee Amendment to **HB 389** is as follows:

Amend printed copy of House Bill 389 on page 3, line 1 through 4, by:

By deleting the language following the word "provided." the following words:

"The sworn report of the law enforcement officer stating that he had warned the person under arrest of the effect of his refusal to submit to a chemical test shall be proof that such warning had been given."

SB 147, AN ACT relating to universities and colleges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Kentucky Revised Statutes Chapter 164 is hereby enacted to read as follows:

As used in this Act, unless the context otherwise requires:

(1) "Academic" means a student's official record of academic performance, including, but not limited to transcript of grades or other action taken by the institution directly related to academic performance. The term "Academic" does not include any non-academically related action the institution may take.

(2) "Universities and Colleges" means all public supported institutions of higher learning in Kentucky.

(3) "Institution" means all public supported institutions of higher learning in Kentucky.

Section 2. A new section of Kentucky Revised Statutes Chapter 164 is hereby enacted to read as follows:

(1) All student academic records shall be confidential, with the exception of the exemptions stated in subsection (2) and (3), and shall not be released by any public supported institution of higher education in Kentucky, to any person, organization, institution, group or agency, except with the expressed consent of the individual student. This confidentially shall apply only to student academic records, including, but not limited to official transcript of grades.

(2) All student records shall be made available upon request to any agency of the Federal or State Government for the purpose of determining a student's eligibility for military service, and shall include making such records available to local Draft Boards. This authority shall be limited only to determining the student's eligibility for military service and shall not be extended except with the individual student's consent as specified in subsection (1).

(3) Any institution may provide the legal parents of any student under twenty-one years of age with a copy of the student's academic record.

(4) This act shall be applicable to all academic records maintained by all public supported institutions of higher education in Kentucky.

(5) Any person who violates any section of this act, upon conviction, shall be punished by a fine of not less than $25.00, nor more than $100.00, and or imprisonment in the county jail for up to thirty days.

The Committee Amendment to **SB 147** is as follows:

Amend printed copy of Senate Bill 147 on page 2, by: inserting between lines 23 and 24 the following:

(5) No provision of this Act shall apply to any "university", "college", or "institution" upon a request for academic record made by any court in the Commonwealth of Kentucky, nor shall such "university", "college", or "institution" deny such request.

and on line 24 deleting the figure (5) and inserting in lieu thereof "(6)"

The Committee on Cities reported **HB 62, HB 153** and **HB 288** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 62, AN ACT relating to members of the common council in cities of the third class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 85.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) Members of the common council shall take office on first Monday in January next after their election, and shall hold office for two years and until their successors are elected and have qualified.

(2) Each councilman, at the time of his election, shall be a citizen of Kentucky, shall have attained the age of twenty-four years, shall have actually resided, within the city limits for two years next preceding his election, and the last year thereof in the ward for which he is chosen [, and shall be a freeholder in the city].

(3) No person shall be eligible to the office of councilman who is, at the time of his election, interested in any contract with the city, or holds any franchise under, or any contract with, the city, or is a collector or keeper of city funds and has not, previous to his election, settled with the city and obtained a quietus. No councilman shall be eligible to any other city office during the period for which he was elected.

HB 153, AN ACT changing the classification of the City of Wilder, in Campbell County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Wilder, in Campbell County, is such as to justify its being classified as a city of the fifth class;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Wilder, in Campbell County, is transferred from the sixth to the fifth class of cities.

HB 288, AN ACT relating to policemen and fire fighters in cities of the second and third classes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (1) of Section 95.460 of the Kentucky Revised Statutes is amended to read as follows:

Any member of the police or fire department in cities of the second and third classes found guilty by the city legislative body of any charge, as provided by KRS 95.450, may appeal to the circuit court of the county in which the city is located, if the punishment is a suspension of more than *ten consecutive calendar* [thirty] days, a reduction in grade, or dismissal, but the enforcement of the judgment of the body shall not be suspended pending appeal.

The Committee on Cities reported **HB 303,** with Committee Substitute attached thereto and Committee Amendment to Committee Substitute for **HB 303** attached thereto, with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

The Committee Amendment to the Committee Substitute for **HB 303** is as follows:

Amend printed copy of Committee Substitute for House Bill 303 on page 4, line 15, by: inserting before the word "relocating" the words "removing, replacing or" and on page 9, below line 7, by inserting the following:

"(5) The governing body of the city shall levy an annual assessment against the owners of benefited land to pay (a) the additional maintenance cost occasioned by the pedestrian mall in excess of the amount ordinarily expended by the city in maintaining the pedestrian mall area as a public way, and (b) the cost of indemnifying the city against any loss resulting from claims for damages to persons and property caused by the pedestrian mall improvements, other than walkways and traffic signs as defined in subsection (10) of Section 1 of this Act."

and on page 10, line 1, by inserting before the word "relocation" the words "removal, replacement or"

and on line 2, by inserting before the word "company" the words "or utility"

and on line 5, by adding after the word "service" the words "or utility"

and on line 6, by changing the semicolon ";" to a comma "," and adding thereafter the following: "and in any event such public service or utility company shall be paid the fair market value of any such property condemned and shall be reimbursed for the cost of any required removal, replacement or relocation of facilities as part of the pedestrian mall improvement costs;"

The Committee on Health and Welfare reported **HB 48** with Committee Amendment attached thereto, **HB 223** with Committee Amendment attached thereto, **HB 250, HB 286, HB 382** and **HB 387** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 48, AN ACT relating to public assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 205.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) The amount of public assistance to be granted shall be determined with due regard to the needs and resources of the individual and family as prescribed by regulation, provided, that if available funds during a budgetary period are insufficient to meet the full needs of the recipients in all or any of the categories of public assistance, the funds available shall be reasonably prorated to recipients in such categories according to pending and anticipated applications during such budgetary period.

(2) Notwithstanding any other provisions of the law to the contrary, resources in any given case shall be deemed to include among other things:

(a) The income and any property belonging to any applicant or recipient; except the exemptions of the kind and the

amount of income prescribed by regulations within the scope of the public assistance titles of the Social Security Act, its amendments and other federal acts and regulations;

(b) The income and any property of the spouse living with any needy aged, needy blind, or needy permanently and totally disabled person;

(c) Such income and resources as may be available to applicants or recipients from persons legally liable for their support; [.]

(d) The first $400 of income from any one, but not more than one, of the above sources is exempt for the purposes of determining the amount of assistance necessary or for determining eligibility for receiving assistance.

(3) The value of any property voluntarily transferred by any applicant or recipient or the spouse living with any applicant or recipient for the purpose of establishing eligibility for public assistance shall be deemed a resource of such applicant or recipient under this section.

The Committee Amendment to **HB 48** is as follows:

Amend printed copy of House Bill 48 on page 2, line 14, by: striking the words *"$400 of income"* and substituting therefor the words *"$35 of income per month"*

HB 223, AN ACT relating to school bus service.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 185.375 of the Kentucky Revised Statutes is amended to read as follows:

No school bus shall be licensed or operated for the transportation of school children unless it has a folding sign on the drivers side thereof with letters at least 6" in height displaying the word "stop" on both sides. Before stopping the school bus and while loading or discharging school children the driver shall open out the sign so that it will be plainly visible to traffic approaching from both directions. No driver shall stop a school bus for loading or unloading purposes in a no passing area such as a hill or curve which does not afford reasonable visibility to ap-

proaching motor vehicles from both directions. No driver shall stop a school bus or church bus and allow it to remain standing for the purpose of discharging passengers whose immediate destination is on the opposite side of the road or to receive passengers waiting on the opposite side of the road on a divided highway where the roadways provided for opposite directions of travel are separated by a median; provided, that this provision does not prohibit the discharging of passengers who desire to cross the highway at a marked pedestrian crossing after the bus has proceeded, *or passengers who are in the seventh grade or above who have filed with the principal of their school written permission from their parents to cross the divided highway including full assumption of all attendant responsibility by the parents.*

The Committee Amendment to **HB 223** is as follows:

Amend printed copy of House Bill 223 on page 2, line 9, by: deleting *"seventh"* and inserting in lieu thereof *"ninth"*

and on page 2, line 10, by inserting after *"school"* and before *"written"* the word *"notarized"*

HB 250, AN ACT relating to the Kentucky Health and Geriatrics Authority.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read:

The exercise of the powers of the Kentucky Health and Geriatrics Authority under KRS 216.805, 216.807, 216.810, 216.813, 216.825, 216.833, 216.835, 216.840, shall be subject to approval in advance by the State Health Planning Council, the State Health Planning Commission, and the State Health Facilities Council.

HB 286, AN ACT relating to paternity.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 406.180 of the Kentucky Revised Statutes is amended to read as follows:

This chapter applies to all cases of birth out of wedlock where birth occurs within this state *or when birth occurs out of this state when the mother is a resident of this state* after this chapter takes effect.

HB 382, AN ACT relating to solid waste disposal.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 211 of the Kentucky Revised Statutes is created to read as follows:

The Kentucky Department of Health shall not revoke, refuse to issue or refuse to renew permits to operators of solid waste disposal sites or facilities solely because the operator uses an incinerator for disposing of solid waste material. Provided, however, that the Department of Health shall be empowered to revoke, refuse to issue or refuse to renew solid waste disposal permits if the operator has not complied with regulations of the Department of Health and the Kentucky Air Pollution Control Commission relating to permits to use incinerators, refuse burners and open burning. This Act shall not impair the Department of Health from revoking, refusing to issue or refusing to renew solid waste disposal permits due to the use of incinerators, refuse burning and open burning not authorized by the Department of Health or the Kentucky Air Pollution Control Commission.

HB 387, AN ACT relating to the custodial care of mental patients in private homes, private nursing homes and private institution.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 210.270 (1) is amended to read as follows:

(1) The Commissioner of Mental Health is authorized to designate such private homes, [and] private nursing homes *and private institutions* as he shall deem, after a thorough investigation of the personal and financial qualifications of the owners and tenants, the facilities and management, and the desirability of the location of such homes, to be suitable for the placement of

patients, *including the mentally ill and mentally handicapped and retarded of all ages,* outside of the state mental hospitals. The Commissioner of Mental Health is authorized to prescribe, from time to time by regulation, standards for the selection and operation of private homes, [and] private nursing homes *and private institutions* designated for the placement of patients. No home of an officer or employe of the Department of Mental Health or of a member of his immediate family shall be designated for the placement of patients.

(2) Whenever the staff of a state mental hospital has determined that a patient who is not being held on an order rising out of a criminal offense has sufficiently improved and is not dangerous to himself or other persons, and that it would be in the patient's best interest to be placed outside of the hospital in a private home or private nursing home, the hospital shall so certify to the Commissioner of Mental Health, who may then authorize the patient to be transferred to a designated private home or private nursing home for care and custody for such length of time as the commissioner deems advisable.

(3) The provisions of KRS 203.070, 203.080, 203.090, and 203.100 shall apply to patients transferred to designated private homes and private nursing homes as though such patients were residing in a state mental hospital.

The Committee on Public Utilities and Transportation reported **HB 309, SB 61** and **SB 112** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 309, AN ACT relating to vehicle license plates.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 186 of the Kentucky Revised Statutes is created to read as follows:

To reduce highway accidents at night and to aid in law enforcement, the background of all Kentucky license plates, or letters and numerals thereof, on vehicles required to be licensed under KRS Chapter 186, shall be coated with an effective and

durable material which will reflect the lights of other vehicles. The quality of the material used shall be according to specifications promulgated by the Commissioners of the Departments of Public Safety, Motor Transportation and Corrections.

Section 2. This Act shall become effective with the issuance of the 1972 plates.

SB 61, AN ACT relating to motorcycle operator's license and instruction permits.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.412 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every person seeking a license for operation of a motor vehicle shall apply in person to the circuit court clerk of the county in which he resides and make application upon a form furnished by the department. The application shall contain the full name and signature, date of birth, sex, race, and present resident address of the applicant and briefly describe him. It shall also state whether the applicant has previously been licensed as an operator and if so, when and by what state or county, whether any license has ever been cancelled, suspended, revoked or refused, and if so, the date of the reason for the cancellation, suspension, revocation or refusal, and such other information as may be required.

(2) Every applicant shall make oath to the circuit clerk as to the truthfulness of the statements contained in the form.

(3) The clerk shall, after determining that the applicant has fully complied with the law governing applications, issue a temporary operator's license to be valid for not more than ninety days. Such temporary license shall be valid in lieu of the permanent license during the certification period and must be destroyed upon receipt of the permanent operator's license.

(4) Every person seeking *a license* [an endorsement] for operating a motorcycle shall apply in person to the circuit court clerk of the county in which he resides and make application *in*

the same manner as in applying for a license for operation of a motor vehicle. [upon a form furnished by the department.]

Section 2. Section 186.414 of the Kentucky Revised Statutes is amended to read as follows:

Applications for renewal licenses shall be according to the following schedule:

(1) Persons whose family names begin with the letters "A" through "K" inclusive, shall before August 1, 1958, apply at the office of the circuit court clerk in the county in which he resides, and make application upon a form furnished by the department for a renewal license, which will expire on his birth month in the year 1960, and shall be renewed every two years during the applicant's birth month thereafter.

(2) Persons whose family names begin with the letters "L" through "Z" inclusive shall, before August 1, 1959, apply at the office of the circuit court clerk in the county in which he resides, and make application upon a form furnished by the department for a renewal license, which will expire on his birth month in the year 1961, and shall be renewed every two years during the applicant's birth month thereafter.

(3) Any person who is a resident of this state and who has obtained an operator's license in the manner provided for in this chapter, which has not been cancelled, suspended or revoked for any reason provided for in this chapter, and who is in the active service of the armed forces of the United States shall, upon written application to the circuit court clerk of the county in which he resides, be granted an extension of his operator's license beyond the periods set forth in subsection (1) and (2) of this section. Upon application the circuit court clerk shall issue to the applicant a written certification of operator's license extension. The extension so granted shall be effective so long as the applicant is an active member of the armed forces or six years from the date of the application whichever is less.

(4) The procedure for renewing or extending *a* motorcycle operator's *license* [endorsements] shall be the same as required by this section for *other operator's* licenses. A motorcycle operator's *license* [endorsement] shall be renewed *in* [at] the

same *manner as an operator's license.* [time as the license to which it is affixed.]

Section 3. Section 186.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who, except for his lack of instruction in operating a motor vehicle, would otherwise be qualified to obtain a permanent operator's license, may make application for and obtain an instruction permit, to be issued by the circuit court clerk in the county of the applicant's residence, and such permit shall be valid for not more than sixty days. The permit holder shall have this permit in his possession and be accompanied by a licensed operator occupying the seat beside the operator at all times while operating a motor vehicle upon the highway.

(2) Any person who, except for his lack of instruction in operating a motorcycle, would otherwise be qualified to obtain a permanent motorcycle operator's license, may make application for and obtain an instruction permit, to be issued by the circuit court clerk in the county of the applicant's residence, and such permit shall be valid for not more than sixty days. The permit holder shall have this permit in his possession at all times while operating a motorcycle upon the highway.

Section 4. Section 186.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) The application of any minor under the age of eighteen for an operator's license, *motorcycle operator's license or any* [or] instruction permit shall not be granted unless the application is signed by the father of the applicant, if the father is living and has custody of the applicant, otherwise by the mother or guardian having the custody of the minor. If the minor has no father, mother or guardian, an operator's license or instruction permit shall not be granted to the minor unless his application is signed by a person willing to assume the obligation imposed by KRS 186.590 upon a person signing the application of a minor. Such a signature need not be required in the case of the renewal of a minor's license but the signature on the original application shall continue to make the parent, guardian or other person liable under the provisions of KRS 186.590 on all renewals of the minor's license until he reaches the age of eighteen unless the

license, or any renewal thereof, is cancelled as provided in subsection (2) of this section.

(2) Any person who has signed the application of a minor for a license may file with the department a verified written request that the license of the minor be cancelled. Thereupon the license of the minor shall be cancelled and the person who signed the application shall be relieved as to subsequent acts of the minor from the liability imposed by subsection (1) of KRS 186.590.

(3) The department upon receipt of satisfactory evidence of the death of the person who signed the application of a minor for a license shall have the license cancelled and no new license shall be issued to the minor until a new application, signed and verified, is made as required by this section.

Section 5. Section 186.480 of the Kentucky Revised Statutes is amended to read as follows:

(1) The State Police may examine every applicant for an operator's license or renewal of an operator's license except as otherwise provided in this section. The examination shall be held in the county where the applicant resides unless the applicant is granted written permission by the circuit clerk of the county in which he resides, to take the examination in another county, and the State Police agrees to arrange for the examination in the other county. The examination may include a test of the applicant's eyesight, his ability to read and understand highway signs regulating, warning and directing traffic, his knowledge of traffic laws and an actual demonstration of ability to exercise ordinary and reasonable control in the operation of a motor vehicle. An applicant for a motorcycle operator's *license* [endorsement or renewal thereof] shall be required to show his ability to operate a motorcycle, in addition to other requirements of this section.

(2) Any person whose operator's license is denied, suspended or revoked for cause, shall apply for reinstatement at the termination of the period for which the license was denied, suspended or revoked by submitting to the examination.

Section 6. Section 186.490 of the Kentucky Revised Statutes is amended to read as follows:

The circuit clerk of each county shall:

(1) Comply with all rules and regulations issued by the department under KRS 186.400 relating to his duties;

(2) Act for the department for the purpose of issuing temporary operator's licenses and instruction permits;

(3) Administer the oath required by KRS 186.412 to the applicant without fee;

(4) Report and remit each Monday to the Department of Revenue all monies collected during the preceding week and remit a copy of all applications taken by him during the same period to the Department of Public Safety. Upon failure of any clerk to report and remit therefor more than seven days after the due date, he shall pay, in addition to the amount due, a penalty of ten percent of the amount due. Penalties collected under this section shall be paid into the State Treasury as a part of the revenue collected under KRS 186.531;

(5) Keep adequate records of all monies collected and remitted to the department; and

(6) Keep in his office at all times available to the department a record of all temporary licenses issued in his county, all denials, cancellations, suspensions, revocations or withdrawals of operator's licenses or motorcycle operator's *licenses* [endorsements] within his county and, to the extent that he is advised, of all other withdrawals of the privilege to operate a motor vehicle on the highways.

Section 7. Section 186.495 of the Kentucky Revised Statutes is amended to read as follows:

The circuit clerk of each county shall maintain an alphabetical index of all persons to whom operator's licenses and motorcycle operator's *licenses* [endorsements] have been issued in his county, which index shall be sufficient to enable the prompt locating of the complete license record of each of such persons. Such index shall at all times be available for inspection by the State Police and other officers charged with the duty of enforcing highway laws.

Section 8. Section 186.531 of the Kentucky Revised Statutes is amended to read as follows:

(1) The cost of operator's licenses, motorcycle license [endorsements] and permits shall be as follows:

(a) The fee for *any* [an] original or renewal license, including motorcycle operator's license, shall be three dollars;

(b) The fee for *any* [an] instruction permit, [motorcycle operator's endorsement, and motorcycle operator's endorsement renewal] shall be fifty cents plus fifty cents for preparing and acknowledging such application; and

(c) The fee for a duplicate license shall be one dollar.

(2) The circuit clerk shall retain fees pertaining to applications and license fees in the following manner:

(a) One dollar and twenty-five cents of any original and renewal licenses;

(b) Fifty cents for issuance of *any* [an] instruction permit. [,] [motorcycle operator's endorsement or motorcycle operator's endorsement renewal;]

(c) Fifty cents for preparing and acknowledging an application for an instruction permit; and

(d) Seventy-five cents for preparing and acknowledging an application for a duplicate.

(3) The remainder of all fees, and other monies collected by the circuit court clerk shall be forwarded to the Department of Revenue.

Section 9. Section 186.580 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the circuit clerk refuses to issue a license or a motorcycle operator's *license* [endorsement] to an applicant, the applicant may appeal to the department.

(2) Any person aggrieved by any ruling of the department relating to the denial, revocation, suspension or cancellation of an operator's license or motorcycle operator's licenses [endorsement] or any other safety provision of KRS 186.400 to 186.640, other than orders of revocation or suspension when the

facts render revocation or suspension mandatory, shall advise the department of his grievance, stating the grounds for it. In not less than fifteen nor more than thirty days, the aggrieved party may petition the quarterly court of the county in which he resides, for relief. The quarterly court may grant adequate relief. A copy of the petition shall be filed with the department.

(3) Either the aggrieved person or the department may appeal from the decision of the quarterly court.

SB 112, AN ACT relating to municipal electric utility systems.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 96.520 is amended to read:

(1) Any city of the second, third, fourth, fifth or sixth class may purchase, establish, erect, maintain and operate electric light, heat and power plants, with extensions and necessary appurtenances thereto, within or without the corporate limits of the city, for the purpose of supplying the city and its inhabitants with electric light, heat and power, *and, for such purpose, the utility commission of such city appointed pursuant to KRS 96.530 may enter into and fulfill the terms of an interconnection agreement with any utility whose rates and service are regulated by the Public Service Commission of Kentucky (or, if not so regulated, operating and having customers only outside of Kentucky) and may establish, erect, maintain and operate such plants, individually or jointly with any such utility. In the case of any joint action such city and utility may provide by contract for the method of holding title, for their respective responsibilities, for operation and maintenance and for the allocation of expenses, revenues and power. If in the accomplishments of such purpose such city at any time has capacity or energy surplus to the immediate needs of the city and its inhabitants, such surplus, if not disposed of for consumption outside this state, may be disposed of only to a utility whose rates and service are regulated by the Public Service Commission of Kentucky.*

(2) The city shall proceed in the same manner and be governed by the same conditions as are set forth in KRS 96.360 to

96.510 for the acquisition and operation of a water system, [except that a] *with the following exceptions:*

(a) A petition calling for an election on the proposition of purchasing an existing plant shall be signed by at least two hundred qualified voters of the city, rather than by twenty-five percent of the qualified voters of the city who voted at the last preceding regular election.

(b) Notwithstanding any other acts or laws of other import wherever the same may be found in the Kentucky Revised Statutes, bonds may be issued bearing interest at such rate or rates and may be sold on a basis to yield interest at such rate or rates as may be determined upon the sale thereof.

(c) Bonds of an issue, or bonds of two or more issues consolidated for the purposes of sale, which equal or exceed $10,000,000 in the aggregate principal amount may be sold at public or private sale without compliance with KRS 424.360.

(3) This section constitutes a method for the acquisition of an electric light, heat and power plant by any city of the second, third, fourth, fifth or sixth class in addition or as an alternate to any other method authorized by statute, *provided that such city was operating an electric plant on June 1, 1942, and has not elected to operate under KRS 96.550 to 96.900.* No proceedings shall be required for the acquisition of any electric light, heat or power plant or the issuance of bonds under this section except the proceedings required by KRS 96.360 .to 96.510.

Section 2. KRS 96.530 is amended to read:

(1) Any city acquiring or constructing an electric light, heat and power plant under the provisions of KRS 96.520 shall, by ordinance, appoint a city utility commission consisting of three commissioners to operate, manage and control the plant. The utility commission shall have absolute control of the plant in every respect, including its operation and fiscal management and the regulation of rates, except that in fixing rates the commission shall be governed by the provisions of KRS 96.430, as it is made applicable to such plants by KRS 96.520, and by any ordinance enacted under that section (except that in fixing rates the commission in a city of the second or third class shall be governed by the provisions of KRS 96.535 and any ordinance enacted there-

under). *The utility commission, when so appointed, shall be and hereby is declared to be a public body politic and corporate, with perpetual succession; and said body may contract and be contracted with, sue and be sued, in and by its corporate name, and have and use a corporate seal.* The utility commission shall provide rules for the management of the plant, and it shall fix the number, qualifications, pay, and terms of employment of all employees needed to operate the plant. In cities of the second or third class providing civil service coverage for city employees the utility commission appointed under this section shall provide such civil service coverage for all of its employees and it shall exercise the powers and functions with respect to such employees which are vested in the city legislative body with respect to the city employees by KRS 90.380. Employees who have been in the employment of the utility commission for one year immediately preceding the adoption of an order by the utility commission placing all of its employees under civil service coverage shall not be required to stand a civil service examination and they shall be eligible for all the benefits provided by such civil service coverage. Out of the revenue of the plant it shall pay operating expenses, repairs and necessary additions and provide sufficient reserve fund against any emergency that may arise. The commission shall from time to time pay to the city the surplus revenue derived from the operation of the plant as is provided in KRS 96.430 and 96.440, as they are made applicable to such plants by KRS 96.520 (except that the commission in a city of the second or third class shall pay to the city the surplus revenue derived from the operation of the plant as is provided in KRS 96.535 and any ordinance adopted thereunder). *Notwithstanding the foregoing provisions the utility commission, for the purpose stated in subsection (1), may enter into an agreement for the operation of any of its plants or other facilities.*

(2) Except as provided in KRS 61.070, no person shall be appointed a member of the commission who has, within the last two years, before his appointment, held any city, county, state or federal office, or been a member of any committee of any political party, or who is related within the third degree to the mayor or a member of a city legislative body. The commission shall not appoint to any subordinate office that it may create any person who is related to any commissioner, to the mayor or to any mem-

ber of the city legislative body. No officer or employe of the city, whether holding a paid or unpaid office, shall be eligible to be appointed as a member of said commission or to be employed by the commission in any capacity. The members of the commission shall be citizens, taxpayers, and legal voters of the city and shall not at the time of appointment be indebted to the city or be surety on the official bond of any officer of the city. If at any time during his term of office any member of the commission becomes a candidate for or is elected or appointed to any public office he shall automatically vacate his membership on the commission and another person shall be appointed in his place.

(3) The city shall pay the costs of securing bonds for the commissioners from a surety company, and each commissioner shall execute bond to be approved by the city legislative body.

(4) The city legislative body shall fix the salary to be paid each member of the commission at a sum not to exceed three hundred dollars per annum.

(5) The first commissioners appointed under this section shall be appointed one for the term of one year, one for the term of two years and one for the term of three years. Upon the expiration of the first terms, successors shall be appointed for a term of three years.

Section 3. Whereas various cities have been unable to finance needed extensions and improvements to municipal electric utility systems under the present law an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

The Committee Amendment to **SB 112** is as follows:

Amend printed copy of Senate Bill 112 on page 1, line 7, by: striking the word *"the"*

and on page 1, line 8, by striking line 8 in its entirety

and on page 2, line 3, by striking the words *"the method of holding title, for"*

The Committee on Agriculture and Natural Resources reported **HR 45** with Committee Amendment attached thereto, **HR 48, HB 464** and **SB 197** with the expression of opinion that

the same should pass. Read at length for the first time and ordered placed in the Calendar.

HJR 45, A JOINT RESOLUTION creating the Jefferson County State Park Commission.

WHEREAS, a significant percentage of the population of the Commonwealth of Kentucky now reside in Jefferson County; and

WHEREAS, the location of a state park within Jefferson County would appear to be particularly desirable, considering the number of citizens of the Commonwealth to whom such a park would be immediately available; and

WHEREAS, the General Assembly believes that new state parks should be established only after the most careful examination and consideration.

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is hereby created the Jefferson County State Park Commission. The commission shall be composed of six residents of Jefferson County, three of whom shall be appointed by the Governor and three of whom shall be appointed by the Lieutenant Governor. Members shall serve until June 30, 1972, at which time the commission shall dissolve. Members shall receive no salary, but the Department of Finance shall reimburse the members for any reasonable and necessary expenses actually incurred in the performance of their duties. The Governor shall designate one member as temporary chairman. The temporary chairman shall call the first meeting of the commission no later than July 1, 1970, at which meeting a permanent chairman shall be elected by the members.

Section 2. The commission shall study the need for a state park in Jefferson County, and, if it finds such a need to exist, shall report that need to the 1972 regular session of the General Assembly, together with one or more recommended sites for the park, and the estimated cost of establishing a park at each recommended site. The governments of Jefferson County and of

all municipalities within Jefferson County shall cooperate with the commission in every way practicable.

The Committee Amendment to **HR 45** is as follows:

Amend printed copy of House Joint Resolution 45 on page 2, line 7, by deleting:

"but the Department of Finance shall reimburse the members for any reasonable and necessary expenses actually incurred in the performance of their duties."

HJR 48, A JOINT RESOLUTION directing the Legislative Research Commission to do a comprehensive study of the Falmouth Reservoir project.

WHEREAS, this project was authorized by the 74th and 75th Congress; and

WHEREAS, the proposed project has not been funded by Congress; and

WHEREAS, there is no information available on the number of people to be relocated, the amount of crops destroyed, and the effect the reservoir would have on the tax base; and

WHEREAS, no 1969 figures are available on highway, road, railroad, pipeline, cemetery, and utility relocation; and

WHEREAS, the cost of production per acre per unit is much less in bottom land than on land that would be used if inundated; and

WHEREAS, those who live in the area of the proposed reservoir are uncertain with respect to possible loss of their homes and land; and

WHEREAS, Falmouth is still in imminent danger of future flooding; and

WHEREAS, alternative methods of flood control should be seriously considered;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is directed to do a comprehensive and objective study of the Falmouth Reservoir project and report its findings and recommendations to the General Assembly at the earliest possible date, but no later than December 1, 1972, on the best way to accomplish flood control in the area.

Section 2. That the Legislative Research Commission is directed to consider the following points in the study:

(a) the number of people to be relocated;

(b) the amount of crops destroyed;

(c) the effect the reservoir would have on the tax base;

(d) the most recent estimates on highway, road, railroad, pipeline, cemetery and utility relocation;

(e) comparison of cost per acre per unit in the bottom land as against land used if the proposed reservoir is constructed;

(f) the feasibility of alternative methods of flood control with consideration given to cost-benefit ratio, project economic cost and loss of gross income to residents in the proposed project area.

Section 3. That the Legislative Research Commission is further directed to cooperate fully with the Corps of Engineers and residents of the proposed reservoir area. The following state agencies are directed to cooperate with the Legislative Research Commission in this study: Departments of Natural Resources, Parks, Fish and Wildlife Resources and Highways.

Section 4. That the findings of this study and recommendations shall be furnished to all interested parties at least thirty days before the General Assembly convenes at its next regular session.

HB 464, AN ACT relating to the State Fair Board.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 247.145 of the Kentucky Revised Statutes is amended to read as follows:

(1) The State Fair Board *in governing the operation, maintenance or use of property under its custody and control* is authorized to establish such *reasonable and lawful* regulations *which are necessary (a) to maintain decency and good order, or (b) to protect the peace or safety of the general public, or (c) to protect the public interest, convenience, or necessity* [as it deems necessary or desirable governing the operation, maintenance or use of property under its custody and control].

(2) All regulations established by the State Fair Board shall be printed and posted at not less than three public places on the property under its custody and control.

(3) All persons using, occupying or going upon any property under the custody and control of the State Fair Board shall comply with all regulations made by it.

SB 197, AN ACT relating to the voluntary registration of servicemen and service agencies for commercial weighing and measuring devices.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

(1) As used in this section unless the context requires otherwise:

(a) "Commercial weighing and measuring device" includes any weight or measure or weighing or measuring device commercially used or employed in establishing the size, quantity, extent, area, or measurement of quantities, things, produce, or articles for distribution or consumption, purchased, offered, or submitted for sale, hire, or award, or in computing any basis of weight, or measure, and also includes any accessory attached to or used in connection with a commercial weighing or measuring device when such accessory is so designed or installed that its operation affects, or may affect, the accuracy of the device.

(b) "Registered serviceman" means any individual who for hire, award, commission, or any other payment of any kind, installs, services, repairs, or reconditions a commercial weighing

or measuring device, and which voluntarily registers himself as such with the Director of Weights and Measures.

(c) "Registered service agency" means any agency, firm, company, or corporation which, for hire, award, commission, or any other payment of any kind, installs, services, repairs, or reconditions a commercial weighing or measuring device, and which voluntarily registers itself as such with the Director of Weights and Measures. Under agency registration, identification of individual servicemen shall not be required.

(2) It shall be the policy of the Director of Weights and Measures, hereinafter referred to as "Director," to accept voluntary registration of an individual or agency that provides acceptable evidence that he or it is fully qualified to install, service, repair, or recondition a commercial weighing or measuring device; has a thorough working knowledge of all appropriate weights and measures laws, orders, rules, and regulations; and has possession of, or available for use, weights and measures standards and testing equipment appropriate in design and adequate in amount. An employe of government shall not be eligible for registration. This policy shall in no way preclude or limit the right and privilege of any qualified individual or agency not registered with the Director to install, service, repair, or recondition a commercial weighing or measuring device.

(3) The director may enter into an informal reciprocal agreement with any other State or States that has or have similar voluntary registration policies. Under such agreement, registered servicemen and registered service agencies of the states party to the reciprocal agreement are granted full reciprocal authority, including reciprocal recognition of certification of standards and testing equipment, in all states party to such agreement.

(4) There shall be charged by the director an annual fee of $1.00 per registered serviceman and $5.00 per registered service agency to cover costs of administering the plan. The fee shall be paid to the director at the time application for registration is made, and annually, during the month of January, thereafter.

(5) An individual or agency may apply for voluntary registration to service weighing devices or measuring devices on an application form supplied by the director. The form, duly

signed and witnessed, shall include certification by the applicant that the individual or agency is fully qualified to install, service, repair, or recondition whatever devices for the service of which competence is being registered; has in possession, or available for use, all necessary testing equipment and standards; and has full knowledge of all appropriate weights and measures laws, orders, rules, and regulations. An applicant also shall submit appropriate evidence or references as to qualifications.

(6) Upon receipt and acceptance of a properly executed application form, the director shall issue to the applicant a "Certificate of Registration," including an assigned registration number, which shall remain effective until either returned by the applicant or withdrawn by the director.

(7) A bearer of a Certificate of Registration shall have the authority to remove an official rejection tag or mark placed on a weighing or measuring device by the authority of the director; place in service, until such time as an official examination can be made, a weighing or measuring device that has been officially rejected; and place in service, until such time as an official examination can be made, a new or used weighing or measuring device.

(8) The director shall furnish each registered serviceman and registered service agency with a supply of report forms to be known as "Placed in Service Reports." Such a form shall be executed in triplicate, shall include the assigned registration number, and shall be signed by a registered serviceman or by a serviceman representing a registered agency for each rejected device restored to service and for each newly installed device placed in service. Within twenty-four hours after a device is restored to service, or placed in service, the original of the properly executed "Placed in Service Report," together with any official rejection tag removed from the device, shall be mailed to the director at Frankfort, Kentucky. The duplicate copy of the report shall be handed to the owner or operator of the device, and the triplicate copy of the report shall be retained by the registered servicemen or agency.

(9) A registered serviceman and a registered service agency shall submit, at least biennially to the director, for his examination and certification, any standards and testing equipment that.

are used, or are to be used, in the performance of the service and testing functions with respect to weighing and measuring devices for which competence is registered. A registered serviceman or agency shall not use in servicing commercial weighing or measuring devices any standards of testing equipment that have not been certified by the director.

(10) The director may, for good cause, after careful investigation and consideration, suspend or revoke a "Certificate of Registration."

(11) The director shall publish from time to time as he deems appropriate, and may supply upon request, lists of registered servicemen and registered service agencies.

The Committee on Business Organizations and Professions reported **HB 378** with the expression of opinion that the same should not pass.

The Committee on Rules reported **HB 65** with Committee Amendment attached thereto, **HB 71** with Committee Amendment attached thereto, **HB 211**, **HB 320**, **HJR 41** and **HR 50** have been posted for passage in Orders of the Day, February 19, 1970.

The Committee on Rules reported **HB 63** with Committee Amendment attached thereto and **HB 397** with Committee Amendment attached thereto have been recommitted to the Committee on Appropriations and Revenue for revenue implications.

Calendar

HB 95, HB 163, HB 172, HB 186, HB 226, HB 275, HB 360, SB 10, SB 65 and **SB 66** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

Representative Allen moved that the House concur in the following Senate amendments to **HB 12**:

Amend printed copy of House Bill 12 on page 1, line 1, by: striking all of **HB 12** after the enacting clause in its entirety and inserting in lieu thereof the following:

"Section 1. Section 342.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the parties fail to reach an agreement in regard to compensation under this chapter, either party may make written application to the board for a hearing in regard to the matter at issue and for a ruling thereon. Such application must be filed within one year after the accident, or, in case of death, within one year after such death, or within one year after the cessation of voluntary payments, if any have been made.

(2) *Except with respect to claims for disability or death by reason of occupational diseases,* as soon as possible after the application has been received the board shall set the date for a hearing, to be held as soon as is practicable in view of the matter involved, and shall notify the parties at issue of the time and place of such hearing.

(3) Unless otherwise agreed to by the parties and authorized by the board, the hearing shall be held at or convenient to the place where the injury was sustained or the ground for disagreement occurred. Before directing a hearing, the board, a member thereof, the director or a hearing officer authorized by the board, may confer informally with the parties at issue in an attempt to assist in adjusting their differences, but may not delay the granting of a hearing, over the objection of either party, for such purpose.

(4) If the parties have previously filed an agreement which has been approved by the board and compensation has been paid or is due in accordance therewith and the parties thereafter disagree either party may invoke the provisions of KRS 342.125 which remedy shall be exclusive.

(5) An application for adjustment of claim shall be held in abeyance by the board during any period voluntary payments of compensation are being made under any benefit sections of this chapter to the maximum which the employe's wages shall entitle him, unless it shall be shown that the prosecution of the employe's claim would be prejudiced by delay.

Section 2. Section 342.275 of the Kentucky Revised Statutes is amended to read as follows:

Except with respect to claims for disability or death by reason of occupational diseases, the board, or any of its members, the director or any hearing officer directed by the board shall hear the parties at issue and their representatives and witnesses and the full board shall determine the dispute in a summary manner. The award, order or decision shall be made within thirty days after final submission, except in cases involving large or complicated records or unusual questions of law, and shall be made within sixty days after final submission in any event. However, if the award, order or decision is not rendered within thirty days the board shall notify the parties in dispute setting out the reasons for such delay. The award, order or decision, together with a statement of the findings of fact, rulings of law and any other matters pertinent to the question at issue shall be filed with the record of proceedings, and a copy of the award, order or decision shall immediately be sent to the parties in dispute.

Section 3. Section 342.316 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Occupational disease" as used in this chapter means a disease arising out of and in the course of the employment. [Ordinary diseases of life to which the general public is equally exposed outside of the employment shall not be compensable, except where such diseases follow as an incident of an occupational disease as defined in this section.]

(a) A disease shall be deemed to arise out of the employment only if there is apparent to the rational mind, upon consideration of all the circumstances, a direct causal connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident to the work as a result of the exposure occasioned by the nature of the employment and which can be fairly traced to the employment as the proximate cause. [and which does not come from a hazard to which workmen would have been equally exposed outside of the employment.] The disease shall be incidental to the character of the business and not independent of the relationship of employer and employe.

The disease need not have been foreseen or expected but, after its contraction, it must appear to have had its origin in a risk connected with the employment and to have flowed from that source as a rational consequence.

(b) "Injurious exposure" as used in this section shall mean that exposure to occupational hazard which would, independently of any other cause whatsoever, produce or cause the disease for which claim is made.

(2) *(a)* The procedure with respect to the giving of notice and [as to the filing of claims and] determination *of claims* [thereof] in occupational disease cases and the compensation and medical benefits payable for disability or death due to such disease shall be the same as in cases of accidental injury or death under the general provisions of this chapter except that notice of claim shall be given to the employer as soon as practicable after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted such disease, or a diagnosis of such disease is first communicated to him, whichever shall first occur.

(b) The procedure with respect to filing of claims shall be as follows:

1. The application shall set forth the work history of the applicant with a concise description of injurious exposure to a specific occupational disease together with the names and addresses of employer or employers with the approximate date of employment and shall also include with the application two written medical reports supporting his claim. These medical reports shall be made on the basis of comprehensive clinical and X-ray examinations and shall contain full and complete statements of the results thereof. The reports shall be made by duly licensed physicians, one of whom shall be a radiologist.

2. The filing of a properly executed application for adjustment of claim, accompanied by the two medical reports described in subparagraph 2 (b) (1) of this subsection, shall satisfy the requirements of the presumptive clause set out in subsection (6) of this section and the burden of proof shall immediately thereafter shift to the employer and the Special Fund.

3. Immediately upon receipt of said application for adjustment of claim, the board shall notify the affected employer, the Special Fund and any other interested party of such claim and shall furnish them with a full and complete copy of the claim.

4. Upon receipt of notice of claim the employer, the Special Fund, and any other interested party shall have the right as provided under KRS 342.021 to have the claimant examined by competent medical experts.

5. Within sixty days of the filing of the claim the employer, the Special Fund, and any other interested party shall notify the board and the claimant whether or not the claim will be resisted. If the claim is not resisted, then the board at its next meeting shall enter an order and award for the claimant. If the claim is resisted, the board shall set a date for a hearing and shall notify all parties thereof. In litigated claims the regular procedures prescribed by the Workmen's Compensation Board shall be followed.

(3) The right to compensation under this chapter for disability resulting from an occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within one year after the last injurious exposure to the occupational hazard or after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted the disease, whichever shall last occur; and if death results from the occupational disease within said period, unless a claim therefor be filed with the Workmen's Compensation Board within one year after such death; provided, however, that notice of such claim shall be deemed waived in case of disability or death where the employer, or his insurance carrier, voluntarily makes payment therefor, or, if the incurrence of the disease or the death of the employe, and its cause was known to the employer. Provided, however, that the right to compensation for any occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within five years from the last injurious exposure to the occupational hazard, except that, in cases of radiation disease, a claim must be filed within ten years from the last injurious exposure to the occupational hazard.

(4) In claims for compensation due to the occupational disease of silicosis or any other compensable pneumoconiosis it

must be shown that the employe was exposed to the hazards of the disease in his employment within this state for at least two years immediately next before his disability or death.

(5) The amount of compensation payable for disability due to occupational disease or for death from such disease, and the time and manner of its payment, shall be the same as provided for accidental injury or death under the general provisions of the Workmen's Compensation Act, but in no event to exceed such amounts as were in effect at the time of the last injurious exposure, and provided further, that the time of the beginning of compensation payments shall be the date of the employe's last injurious exposure to the cause of the disease, or the date of actual disability, whichever is later, and provided further, that in case of death where the employe has been awarded compensation or made timely claim within the period provided for in this section, an employe has suffered continuous disability to the date of his death occurring at any time within ten years from the date of disability, his dependents, if any, shall be awarded compensation for his death as provided for under the general provisions of the Workmen's Compensation Act and in this section.

(6) In case of disability or death from silicosis, *coal workers' pneumoconiosis*, or any other compensable pneumoconiosis, complicated with tuberculosis of the lungs, *pulmonary emphysema or other pulmonary dysfunction and there has been employment exposure to harmful dust or industrial hazards reasonably competent to produce such accompanying disease or dysfunction, there is a rebuttable legal presumption that all resultant disability therefrom is work related and compensable, and* compensation shall be payable as for the uncomplicated disease, provided, however, that the disease *or dysfunction* was an essential factor in causing such disability or death.

(7) If an autopsy has been performed, no testimony relative thereto shall be competent unless the employer or his representative and a representative of the deceased employe shall have participated therein or been given reasonable opportunity to do so.

(8) No compensation shall be payable for occupational disease if the employe at the time of entering the employment

of the employer by whom compensation would otherwise be payable, falsely represented himself, in writing, as not having been previously disabled, laid off, or compensated in damages or otherwise, because of such disease, or failed or omitted truthfully to state to the best of his knowledge, in answer to written inquiry made by the employer, the place, duration and nature of previous employment, or, to the best of his knowledge, the previous state of his health.

[(9) Where an occupational disease is aggravated by other disease or infirmity not itself compensable, or where disability or death from any other cause not itself compensable, is aggravated, prolonged, accelerated or in anywise contributed to by occupational disease the compensation payable shall be reduced and limited to such proportion only of the compensation that would be payable if occupational disease were the sole cause of the disability or death as such occupational disease, as a causative factor, bears to all causes of such disability or death, such reduction in compensation to be affected by reducing the number of weekly or monthly payments or the amount of such payments as under the circumstances of the particular case may be for the best interests of the claimant or claimants.]

(9) [(10)] No compensation for death from occupational disease shall be payable to any person whose relationship to the deceased, which, under the provisions of this chapter would give right to compensation, arose, subsequent to the beginning of the first compensable disability, save only to after-born children of a marriage existing at the beginning of such disability.

(10) [(11)] Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the general provisions of this chapter and it is subsequently discovered, at any time before the final disposition of such cause, that the claim for injury, disability or death which was the basis for such application should properly have been made under the provisions of this section, then the application so filed may be amended in form or substance, or both, to assert a claim for such injury, disability or death under the provisions of this section, and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant

to the provisions of this chapter. When such amendment is submitted, further or additional evidence may be heard by the board when deemed necessary. Nothing this section contains shall be construed to be or permit a waiver of any of the provisions of this chapter with reference to notice of time for filing of a claim, but notice of filing a claim, if given or done, shall be deemed to be a notice of filing of a claim under provisions of this chapter, if given or done within the time required therein.

(11) [(12)] When an employe has an occupational disease that is covered by this chapter, the employer in whose employment he was last injuriously exposed to the hazard of the disease, and the employer's insurance carrier, if any, at the time of the exposure, shall alone be liable therefor, without right to contribution from any prior employer or insurance carrier; except as otherwise provided herein.

(12) [(13)] (a) The employer liable for compensation for occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, shall be the employer in whose employment the employe was last exposed to the hazard of such occupational disease during a period of six months or more. In those cases where disability or death are not conclusively proven to be the result of such last exposure all compensation shall be paid out of the Special Fund. In all other cases of occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, the compensation for disability or death due to such diseases shall be paid jointly by the employer and the Special Fund, and the employer shall be liable for sixty percent of the compensation due and the Special Fund shall be liable for forty percent of the compensation due. Provided, however, that when there is a joint award against the carrier or self-insured employer and the Special Fund under this section, all of the compensation awarded shall be paid by the carrier or self-insured employer, and the carrier or self-insured employer shall be reimbursed for such payments from the Special Fund on a quarterly basis and under such regulations as the board may provide for such purpose.

(b) In all claims for compensation partially payable by the Special Fund the Commissioner of Labor, as custodian of said fund, shall be designated as co-defendant.

(c) In all agreements for the payment of compensation and awards the amount payable by the employer and the amount payable out of the Special Fund shall be separately stated. An award against the employer shall be for only the percentage of the total compensation which the employer is obligated to pay. A separate award shall be made against the Special Fund for the balance of the compensation payable. Nothing in this section shall prohibit the Commissioner of Labor, as custodian of the Special Fund, from entering into agreements to pay the compensation for which it is liable; provided, however, that where compensation is payable by both the employer and the Special Fund, the commissioner shall not enter into an agreement unless the employer is a party to the agreement.

Section 4. Section 342.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every employer under this chapter shall either insure and keep insured his liability for compensation hereunder in some corporation, association or organization authorized to transact the business of workmen's compensation insurance in this state or shall furnish to the board satisfactory proof of his financial ability to pay directly the compensation in the amount and manner and when due as provided for in this chapter. In the latter case the board shall require the deposit of an acceptable security, indemnity or bond to secure to such an extent as the board directs the payment of compensation liabilities as they are incurred.

(2) Every employer accepting this chapter shall at the time of such acceptance file with the board in substantially the form prescribed by it, and *semi*-annually thereafter, or as often as may be necessary, evidence of his compliance with the provisions of this section and all others relating thereto. Until these provisions are complied with the employer shall, from the date of his acceptance of the chapter, be liable to an employe either for compensation under this chapter or at law in the same manner as if the employer had refused to accept this chapter. Claim of compensation in such cases shall be considered a waiver of

the right to proceed at law and the institution of an action at law shall be considered a waiver of all claim to compensation. *Upon determination that any employer under this chapter has failed to comply with these provisions the board shall promptly notify interested government agencies of said failure and with particular reference to employers engaged in coal mining the board shall promptly report any such failures to the Department of Mines and Minerals so that appropriate action may be undertaken pursuant to KRS 351.175.*

Section 5. A new section of Chapter 342 of the Kentucky Revised Statutes is created to read as follows:

(1) An employe who has suffered an injury or occupational disease covered by this Act shall be entitled to prompt vocational rehabilitation services by the Kentucky Bureau of Rehabilitation Services as may be reasonably necessary to restore him to useful employment. Necessary job placement services shall be provided by the Employment Service of the Department of Economic Security.

(2) When the Kentucky Bureau of Rehabilitation Services has provided all feasible vocational rehabilitation to an employe, or has determined that vocational rehabilitation is not possible or feasible, it shall certify its determination to the board. Upon reviewing this determination, the board shall make a finding as to the permanent disability benefits due the employe. In addition to said permanent disability benefits, an employe who has completed successfully a vocational rehabilitation program and who has returned to regular gainful employment but is receiving a wage less than he was earning at the time of his compensable injury or occupational disease shall receive an additional payment equal to 25 percent of his permanent disability benefits. This additional 25 percent payment is to be made only for those weeks during which the employe is gainfully employed at said lesser wages and in no event for more than 400 weeks from the date of injury, or from the date his disability from an occupational disease began. In no event shall payments under this section exceed total permanent disability benefits.

(3) A vocational rehabilitation program shall not extend for a period of more than 36 weeks except that an additional

term of up to 36 weeks may be ordered by the board upon application and sufficient showing of justifiable need therefor.

(4) The board shall order that any employe participating in a vocational rehabilitation program shall receive temporary total disability payments plus an additional payment equal to 50 percent of his weekly award for transportation and other extra and necessary expenses during the period of said participation, said additional payments to be made from the Special Fund.

(5) The initiation of a vocational rehabilitation program or the acceptance thereof shall be voluntary and not be compulsory on the employe or the employer. However, upon application of either the employe or the employer, or on its own motion the board shall refer the employe promptly to the Kentucky Bureau of Rehabilitation Services of the Department of Education for evaluation of the need for and kind of service or training necessary and appropriate to render him fit for a remunerative occupation. Upon receipt of an evaluation recommending a program of vocational rehabilitation the board shall order that such program be provided in an amount not to exceed the sum of $3,500.00: (a) in the case of traumatic injury, by the employer, and (b) in the case of an occupational disease, by the Special Fund.

(6) The board shall have the authority to enter into cooperative agreements with the Kentucky Bureau of Rehabilitation Services of the Department of Education, the Employment Service of the Department of Economic Security, and with other state, federal, or private agencies to facilitate the carrying out of the purposes of this section.

Section 6. Section 342.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) All fees of attorneys and physicians, and all charges of hospitals under this chapter, shall be subject to the approval of the board. No attorney fees shall be allowed or approved against any party not represented by said attorney, nor shall any attorney fee be allowed or approved exceeding an amount equal to twenty percent of the amount recovered. *Provided, however, the board, in making an allowance of attorney fees, shall in each case examine the record to ascertain the extent of the services*

rendered, and fix a reasonable fee for the services rendered, not to exceed the maximum authorized by this section. The board may reduce the attorney's fee to an amount commensurate with the services performed, or may deny or reduce an attorney's fee upon proof of solicitation of employment.

(2) No attorney's fee in any case involving benefits under this chapter shall be paid until the fee is approved by the board, and any contract for the payment of attorney's fees otherwise than as provided in this section shall be void. The entire attorney's fee in a lump sum shall be paid directly to the attorney of record, and the board in allowing or approving an attorney's fee, as provided in this section, shall order the payment of same directly to the attorney, commuting sufficient of the final payments of compensation payable under the award to a lump sum for that purpose.

(3) The General Assembly declares that by the enactment of Section 3 (2) (b) and Section 3 (6) hereof, it is the legislative intent to encourage settlement and prompt administrative handling of such claims and thereby reduce expenses to claimants for compensation under the provisions of this Act, and the board shall give due regard to such legislative intent in the handling of uncontested claims and the allowance of attorney's fees therein.

Section 7. Section 342.115 of the Kentucky Revised Statutes is repealed."

Amend printed copy of House Bill 12 (Sen. amend. copy) on page 2, line 1, by:

adding before the word *"claims"* the word *"uncontested"*;

and on page 3, line 1, by adding before the word *"claims"* the word *"uncontested"*;

and on page 5, lines 9 and 10, by deleting the words *"and x-ray"*;

and on page 5, line 12, by deleting the comma after the word *"physicians"* and inserting in lieu thereof a period;

and on page 5, line 12, by deleting the words *"one of whom shall be a radiologist"* and inserting in lieu thereof the words: *"The clinical examinations shall include x-ray examinations. However, the failure of an x-ray examination to disclose the*

presence of an occupational disease shall not affect the legal presumption referred to in subsection (6) of this section."

Amend printed Committee Amendment to House Bill 12 which amendment was amended as follows:

Amendment 1. Amend printed copy of HB 12 (by way of amendment) on page 6, line 2, by:

striking the words *"at its next meeting"*;

and on page 6, line 3, by inserting after the word *"shall"* the words *"within ten days"*

Amendment 2. Amend printed copy of HB 12 (by way of amendment) on page 1, line title, by:

amending the title to read: "AN ACT relating to Workmen's Compensation. This Act shall be known as the Francis M. Burke – Darvin Allen – Pearl Strong – Charles Upton Coal Miners' Workmen's Compensation and Rehabilitation Act of 1970."

Agreed.

Representative Allen moved that **HB 12** be placed upon its passage as amended.

On the roll call the vote was yeas 91—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 12 as amended was passed and the title agreed to.

Representative Allen moved that the vote by which **HB 12** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Nett moved that **HB 85** be removed from the Clerk's desk and returned to the Committee on Banking and Insurance. Agreed.

Orders of the Day

Representative McBrayer moved that consideration of **HB 159** and **HB 272** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 83 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Graves moved the adoption of the following Amendment to **HB 83:**

Amend printed copy of House Bill 83 on page 1, below line 12, by adding the following:

"Section 2. This Act shall become effective July 1, 1971."

Agreed.

On the roll call the vote was yeas 49—Alexander, Allen, Blandford, Bleemel, Blume, Hershel Brown, Carter, Chapman, Clapp, Conn, Donnermeyer, Freeman, Graves, Head, Hughes, Isler, Kenton, Kessinger, King, Kleier, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McKinney, Mershon, Miller, Murphy, Nett, Osborne, Peak, Pollitte, Priddy, Ray, Reed, T. P. Reynolds, Roberts, Ruh, Salyers, Siemens, Van Horn, Wenz, Wheeler, Glenn White, Wright, Yocom. Nays 25—Baker, Bartley, Bruce, Clarke, Curlin, J. A. Davis, DeMarcus, Deskins, Dorris, Durham, J. Hardin, L. Hardin, Huff, Keene, Keith, May, Paxton, Prather, Rattliff, Rickert, Sharpe, Swinford, Wells, West, Wible.

HB 83 as amended was passed and the title agreed to.

Representative Graves moved that the vote by which **HB 83** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 112** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 132 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 66—Alexander, Baker, Bleemel, Blythe, Edward G. Brown, Bruce, Chapman, Clapp, Clarke, Collins, Conn, Curlin, Donnermeyer, Dorris, Durham, Freeman, Graves, John O. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, Massey, May, Mershon, Miller, Mitchell, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 4—Blandford, Floyd, Paxton, Pollitte.

HB 132 was passed and the title agreed to.

Representative King moved that the vote by which **HB 132** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Speaker Pro Tempore Blume presiding.

HB 155 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett, Bartley, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Mitchell, Murphy, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler,

Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 6—Baker, Huff, Kidd, Kleier, Lindsay, Rickert.

HB 155 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 155** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 158 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Wyatt moved the adoption of the following Amendment to **HB 158:**

Amend printed copy of House Bill 158 on page 4, by: adding after line 7 the following section:

"Section 3. A new section of KRS 160.046 to 160.065 is created to read as follows:

If the circuit court reaches the decision that there are no equitable terms of transfer under Section 2, the court shall so find and direct that the transfer not be effected."

Agreed.

On the roll call the vote was yeas 77—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Bruce, Carter, Chapman, Clapp, Conn, Curlin, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, McBrayer, McBride, McCann, McKinney, McNamara, Massey, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Stuart, Swinford, Van Horn, Wells, Wenz, Wheeler, Glenn White, Wible, Wright, Wyatt, Yocom. Nays 8—H. Brown, Collins, Freeman, Keene, Lovins, Pollitte, Rickert, Tobin.

HB 158 as amended was passed and the title agreed to.

Representative J. O. Hardin moved that the vote by which

HB 158 as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 165, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative J. O. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Peak moved the adoption of the Committee Amendment to **HB 165**. Agreed.

On the roll call the vote was yeas 89—Alexander, Allen, Baker, Blandford, Bleemel, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 1—Paxton.

HB 165 as amended was passed and the title agreed to.

Representative J. O. Hardin moved that the vote by which **HB 165** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 184, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative J. O. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Swinford moved the adoption of the Committee Amendment to **HB 184**. Agreed.

On the roll call the vote was yeas 85—Alexander, Allen, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Edward G.

Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Mershon, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 184 as amended was passed and the title agreed to.

Representative Swinford moved that the vote by which **HB 184** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SR 14** had been examined and found correctly enrolled. **SR 14** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day (Continued)

HB 221 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 81—Alexander, Allen, Baker, Bartley, Blandford, Bleemel, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, Mc-

Kinney, McNamara, Massey, May, Mershon, Mitchell, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 221 was passed and the title agreed to.

Representative Swinford moved that the vote by which **HB 221** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 227 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mitchell moved that **HB 227** be laid on the Clerk's desk.

On the roll call the vote was yeas 15—Clarke, Walter Davis, Deskins, Durham, Hinkle, Kleier, Knuckles, Lindsay, McBride, May, Mitchell, Paxton, Peak, Simmons, Van Horn. Nays 53—Arnett, Blandford, Bleemel, Blume, E. G. Brown, H. Brown, Carter, Chapman, Clapp, Collins, Conn, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, Head, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, King, Lewis, Louden, Lovins, Massey, Mershon, Murphy, Nett, Osborne, Prather, Priddy, Rattliff, Ray, Reed, R. Reynolds, T. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Wenz, Wheeler, Wible, Wyatt, Yocom.

The motion that **HB 227** be laid on the Clerk's desk was rejected.

On the roll call the vote was yeas 58—Arnett, Baker, Blandford, Bleemel, Blume, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Collins, Conn, Curlin, James A. Davis, Donnermeyer, Dorris, Freeman, Graves, Haney, Head, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Louden, Lovins, McCann, Massey, Mershon, Murphy, Osborne, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Schmidt, Sharpe, Siemens,

Stuart, Tobin, Wells, Wenz, Wheeler, Glenn White, Wible, Wyatt, Yocom. Nays 20—Clarke, W. Davis, DeMarcus, Deskins, Durham, Huff, Kleier, Knuckles, Lewis, Lindsay, McBride, May, Mitchell, Nett, Paxton, Peak, Simmons, Swinford, Van Horn, West.

HB 227 was passed and the title agreed to.

Representative Ray moved that the vote by which **HB 227** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Blythe moved that consideration of **HB 234** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 245 taken from Orders of the Day and ordered read at length for the third time. Representative Blythe moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 79—Alexander, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, Head, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McNamara, Massey, Mershon, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, Rickert, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 5—Lovins, May, Roberts, Ruh, Salyers.

HB 245 was passed and the title agreed to.

Representative Freeman moved that the vote by which **HB 245** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 254 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 66—Alexander, Allen, Baker, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Carter, Clapp, Clarke, Collins, Conn, Curlin, Walter Davis, Donnermeyer, Durham, Floyd, Freeman, Graves, Head, Hinkle, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lindsay, Louden, McBrayer, McBride, McKinney, Massey, May, Mershon, Mitchell, Murphy, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Ray, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, West, Glenn White, Wible, Wright, Wyatt, Yocom. Nays 8—Chapman, Hughes, Lewis, Lovins, Reed, Ruh, Wenz, Wheeler.

HB 254 was passed and the title agreed to.

Representative McBrayer moved that consideration of **HB 295** and **HB 304** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 284 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 83—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Collins, Conn, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Isler, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 284 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 284** was passed be reconsidered and said motion be postponed indefinitely.

HB 408 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 43—Blandford, Blume, Blythe, Carter, Chapman, Clarke, Collins, Conn, Curlin, Donnermeyer, Freeman, Graves, John O. Hardin, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, King, Kleier, Louden, McCann, McKinney, Mershon, Miller, Murphy, Nett, Pollitte, Priddy, Ray, Reed, Russell Reynolds, Ruh, Schmidt, Siemens, Stuart, Tobin, Wells, Wenz, Wright, Wyatt, Yocom. Nays 37—Alexander, Arnett, Baker, Bartley, Bleemel, H. Brown, Bruce, Clapp, J. Davis, W. Davis, DeMarcus, Deskins, Dorris, Durham, Floyd, Hinkle, Huff, Keith, Knuckles, Lewis, Lindsay, Lovins, McBride, Massey, Mitchell, Osborne, Peak, Prather, Rattliff, W. J. Reynolds, Rickert, Swinford, Van Horn, West, Wheeler, J. White, Wible.

HB 408 was passed and the title agreed to.

Representative Murphy moved that the vote by which **HB 408** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 295 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 77—Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Chapman, Clarke, Collins, Curlin, Walter Davis, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McNamara, May, Mershon, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, Wible, Wyatt, Yocom. Nays 0.

HB 295 was passed and the title agreed to.

Representative King moved that the vote by which **HB 295** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 43 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 69—Alexander, Baker, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Carter, Chapman, Clarke, Curlin, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Graves, Haney, John O. Hardin, L. T. Hardin, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, McBrayer, McCann, McNamara, May, Mershon, Mitchell, Murphy, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Sharpe, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HR 43 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HR 43** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Rickert moved that the Rules be suspended to make an announcement. Agreed.

Announcements

Representative Rickert announced a special meeting of the Committee on State Government, 10:30 a.m., Friday, February 20, 1970.

Representative Rickert announced that the Discharge Petition on **HB 16** had been withdrawn.

Representative Conn moved that the Rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 519, by Representative Lindsay: AN ACT relating to the Council on Public Higher Education.

HB 520, by Representative Lindsay: AN ACT relating to levy upon and sale of real property for ad valorem taxes in cities of the third, fourth, fifth and sixth classes.

HB 521, by Representatives Keene and Rickert: AN ACT relating to weights and measures.

HB 522, by Representatives Wible, Swinford, Blythe and Wyatt: AN ACT relating to school tax rates.

HB 523, by Representatives Conn and Blume: AN ACT relating to membership on air pollution control board.

HB 524, by Representative Blythe: AN ACT relating to licensing of persons possessing firearms.

HB 525, by Representative Blythe: AN ACT relating to prohibited conflicts of interest of public officers and employes.

HB 526, by Representatives DeMarcus and McBrayer: AN ACT relating to police salaries.

Announcements

The Clerk announced a joint meeting of the Election and Constitutional Amendments Committees for a public hearing on Constitutional Amendments in the House Chamber, February 24, 1970, 10:00 a.m.

The Clerk announced the following Bills and Resolutions were posted for consideration:

Appropriations and Revenue: **HB 11, HB 154, HB 328, HB 442.** (Room 402, Special Meeting on adjournment, February 19, 1970)

Education: **HB 52, HB 364, HB 196, HB 363, HB 412, HB 413, HB 267, HB 352, HB 486.** (Room 401, February 19, 1970, 10:00 a.m.)

Cities: **HB 383, HB 402, HB 410, HB 414, HB 98.** (Room 401, February 19, 1970, 11:00 a.m.)

State Government: **HB 239, HB 237, HB 370, SB 132, SB 180, SB 115.** (Room 401, Special Meeting February 20, 1970, 10:30 a.m.)

Judiciary: **HB 445, HB 474, HB 217, HB 118, HB 191, HB 471, HB 458, HB 483, HB 482, HB 480.** (Room 402, February 20, 1970, 10:00 a.m.)

Judiciary: **HB 438.** (Special Meeting February 19, 1970, 9:30 a.m., Room 327)

Representative McNamara announced there would be no session on Monday, February 23, 1970, and that the House would convene at 3:00 p.m., February 24, 1970.

Representative McNamara moved that the House adjourn until 1:00 p.m., Thursday, February 19, 1970.

On the roll call the vote was yeas 31—Arnett, Chapman, Walter Davis, Deskins, Donnermeyer, Freeman, Hinkle, Hughes, Kenton, Kidd, Lewis, Lindsay, Lovins, McBride, McNamara, Massey, May, Mershon, Nett, Paxton, Pollitte, Reed, Rickert, Roberts, Salyers, Swinford, Tobin, Van Horn, Wells, Glenn White, Wyatt. Nays 1—Blythe.

The motion to adjourn was adopted.

THURSDAY, FEBRUARY 19, 1970

THIRTY-SIXTH LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by the Reverend Earl S. Bell, Harlan Baptist Church, Harlan, Kentucky.

The roll was called. All present except Representatives A. Brown, Floyd, McGill, Mitchell and R. Reynolds.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 18, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 527, by Representatives Yocom and Louden: AN ACT relating to workmen's compensation.

HB 528, by Representatives Carroll and Carter: AN ACT relating to fire prevention districts and volunteer fire prevention districts.

HB 529, by Representative Arnett: AN ACT relating to group insurance benefits for employes of state-supported institutions of higher learning.

HB 530, by Representatives Murphy and Donnermeyer: AN ACT relating to insurance.

HB 531, by Representatives Salyers, Blume and Allen: AN ACT relating to the State Employes Retirement System.

HB 532, by Representatives McCann, Clarke, Paxton and J. O. Hardin: AN ACT relating to carrying concealed deadly weapons.

HB 533, by Representative Ray: AN ACT relating to medical assistance for certain needy persons, providing for chiropractic services.

HB 534, by Representatives DeMarcus and Baker: AN ACT relating to "Active State Service" of the National Guard.

HB 535, by Representatives Carter, Conn, Wyatt, Chapman, Wible, J. O. Hardin, Siemens, Kidd, Clarke, H. Brown, Allen, Peak and Salyers: AN ACT relating to boards of trustees and regents.

HB 536, by Representative Wible: AN ACT relating to traffic regulations.

HB 537, by Representative Kenton: AN ACT relating to parole in misdemeanor cases.

HR 58, by Representatives Wells, Hinkle, E. G. Brown and Alexander: A RESOLUTION commending the action of the Bourbon County Teachers Association and the Paris Education Association.

HJR 59, by Representatives McNamara, McBrayer and DeMarcus: A JOINT RESOLUTION expressing the policy of the Commonwealth that the dissemination of knowledge about state and local history be encouraged by all public agencies.

Senate Message

Announcing passage of **SB 30, SB 172, HB 32, HB 212** and **HR 16.**

Report of Committees

The Committee on Cities reported **HB 414, HB 402, HB 383, HB 354** and **HB 98** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 414, AN ACT relating to public transit authorities in cities and counties.

WHEREAS, mass transportation is increasingly recognized to be essential to the public interest in various cities, counties and areas of the Commonwealth; and

WHEREAS, mass transportation service has, in the past, largely been provided by privately owned transit companies; and the same are increasingly faced with problems of increasing costs and declining revenues, resulting in imminent or impending inability to provide public mass transportation services at rates which may be reasonable from the standpoint of private ownership, but which may nevertheless be unrealistic and inconsistent with economic considerations in the public interest; and

WHEREAS, it is conceived that certain of the burdens of private ownership may not be applicable in the event of public ownership of the same properties and facilities; and

WHEREAS, it has been caused to appear that essential mass transportation service to the public can be initiated, improved and broadened through public ownership; and that possibly, under certain circumstances, reasonable subsidization of privately owned mass transportation systems may best serve the public interest, at least in emergencies,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

This Act shall be known and may be cited as the "Kentucky Transit Authority Act."

Section 2. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context otherwise requires, the following words or terms shall mean as follows:

(1) "city" means any incorporated city in the Commonwealth;

(2) "county" means any county in the Commonwealth wherein there is located an incorporated city;

(3) "state" means the Commonwealth;

(4) "Transit Authority" or "Authority" means a Transit Authority created pursuant to this Act;

(5) "board" means the board of a Transit Authority;

(6) "public body" means any city or county of the Commonwealth;

(7) "governing body" means, as to a county, the fiscal court thereof; and as to a city, the legislative body thereof, howsoever the same may be denominated according to law;

(8) "proceedings" means, in the case of a county, a resolution of its fiscal court; and in the case of a city, an ordinance adopted and made effective according to law by its governing body;

(9) "joint proceedings" relates only to the establishment of a Transit Authority by two or more public bodies acting in concert or by agreement, and means the proceedings, taken collectively, by the governing bodies of the public bodies, participating in the creation and establishment of a Transit Authority;

(10) "appointing authority" means, as to a county, the county judge thereof; and as to any city, the elected chief officer thereof, whether designated as its mayor or the chairman of its board of trustees or otherwise;

(11) "area" or "transit area" means the geographical area which may be encompassed from time to time within the lawful boundaries of such cities and counties as may be involved in the creation and establishment of an Authority; and of any cities or counties which may subsequently become participants as provided in this Act.

(12) "mass transit", or "mass transportation", means, principally, the local transportation of persons within a transit area and areas adjacent thereto; but also includes such transportation of personal property as may, in the judgment of the board of an Authority, be necessary or incidental thereto.

Section 3. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) A Transit Authority may be created and established under the provisions of this Act by proceedings or joint proceedings, and the name thereof shall be "Transit Authority of _____." If established by a city alone, or by a county alone, the name shall be completed by identification of the city or county. If created and established by joint proceedings, the name may be completed by inserting words generally identifying the area intended to be served, in such manner as the public bodies may determine by concert or agreement in their joint proceedings. Such Transit Authority shall constitute an agency and instrumentality for accomplishing essential governmental functions of the public body or public bodies creating and establishing the same, and shall be a political subdivision and a public body corporate, with power to contract and be contracted with, to sue and be sued, to establish, alter and enforce rules and regulations in furtherance of the purposes of its creation, to adopt, use and alter a corporate seal, and to have and exercise, generally, all of the powers of private corporations, as enumerated in KRS 271.125, except to the extent the same may be inconsistent with this Act. An Authority shall have as its principal purpose the promotion and development of mass transportation in its transit area and areas adjacent thereto, including acquisition, operation and extension of existing mass transit systems, and the sale of service in or to adjacent areas; and an Authority shall have and may exercise such powers as may be necessary or desirable to enable it to carry out such purposes.

(2) Subsequent to the creation and establishment of a Transit Authority, one or more additional public bodies may be permitted to join therein, in such manner and subject to such conditions as may be prescribed by the board of the Authority with the concurrence and approval of all public bodies which have theretofore participated in the establishment or previous enlargement of the Authority.

Section 4. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

A Transit Authority created and established under the provisions of this Act shall become a corporate entity (1) in the case of an Authority created and established by a single public body, upon the effective date of the proceedings of the governing

body thereof, and (2) in the case of an Authority created by joint proceedings, upon the effective date of the last of such joint proceedings.

Section 5. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) The business, activities and affairs of a Transit Authority shall be managed, controlled and conducted by a board consisting of members appointed as follows:

(a) If the Authority is established by one city alone, or by a county alone, the members shall be eight in number and shall be appointed by the appointing authority of such city or county;

(b) If the Authority is established by joint proceedings of two public bodies, the membership shall be eight in number, four of whom shall be appointed by the appointing authority of each of such public bodies;

(c) If an Authority is created and established by joint proceedings of more than two public bodies, the membership shall be eight in number, plus one additional member for each participating public body in excess of two, and the members thereof shall be appointed by the appointing authorities of the participating public bodies in such manner as may be set forth in the joint proceedings;

(d) If an Authority is created and established, and subsequently one or more other public bodies are permitted to join therein, the membership of the board may be enlarged, with the concurrence and approval of the governing bodies of the public bodies theretofore participating, by not more than one additional member for each additional public body so permitted to join the Authority.

(2) No officer or employee of any public body represented in the creation, establishment, or enlargement of an Authority shall be eligible for appointment to the board.

(3) After the effective date of the creation of an Authority as provided in this Act, the appointing authority or the appointing authorities, as the case may be, shall, in such manner as may be specified in the proceedings or joint proceedings, appoint at

least two members for terms of one year, at least two members for terms of two years, at least two members for terms of three years, and the remaining number for terms of four years; such terms to expire, in each instance, on June 30 and thereafter until a successor is appointed and accepts appointment. Upon the expiration of these initial staggered terms, successors shall be appointed by the respective appointing authorities, for terms of four years, and until successors are appointed and accept their appointments. Members shall be eligible for reappointment.

(4) Any member of the board may be removed by his or her appointing authority for inefficiency, neglect of duty, malfeasance, conflict of interest, or want of mental or physical capacity to serve. Any appointing authority exercising the power to remove a member of the board shall submit to the board a written statement setting forth the reasons for removal. Notice shall be given to the member named in such statement; a hearing, if requested, shall be conducted within thirty days before the members of the board who are not the subject of such removal proceedings; a record of the hearing shall be made by the secretary-treasurer of the board; and the member named in such removal notice may appeal any adverse decision, within ten days after the rendering thereof, to the circuit court of any county which is served in whole or in part by the facilities of the Transit Authority, such appeal to be perfected by filing with the clerk of such court a copy of the removal proceedings certified by the secretary-treasurer of the board. The court, upon application of the member removed, may in its discretion order that the original record of the proceedings be filed with the clerk as the basis for such appeal. There shall be no right of appeal to the Court of Appeals.

(5) Members of the board shall be allowed reasonable expenses necessarily incurred by them in the conduct of the affairs of the Authority. Compensation may be paid to members of the board if so provided in the proceedings or joint proceedings, subject to such limitations as may be set forth therein.

Section 6. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Each Authority shall operate for an initial fiscal period ending on June 30 next following the effective date of its creation as

a corporate entity; and shall thereafter operate on a fiscal year basis beginning each July 1 and ending on the next ensuing June 30.

Section 7. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) Regular meetings of the board shall be held at least once in each calendar month, at such time and place as may be fixed by the board as a matter of record. Special meetings of the board may be called by the chairman or any two members of the board upon oral or written notice to all members at least forty-eight hours in advance. Each notice of a special meeting shall state the time, place and purpose or purposes thereof. Notice may be waived by any member, orally or in writing, before, at or after such special meeting; and the presence of any member at any such special meeting shall constitute a waiver of any defect of notice, unless such member shall cause it to appear of record that his attendance is only for the purpose of objecting to any deficiency in the notice or the time or manner of giving the same.

(2) A majority of the members of the board shall constitute a quorum for the transaction of business, but a smaller number may adjourn from time to time, and may compel the attendance of absent members in such manner and under such penalties as the Authority may previously have provided for, according to its by-laws. The affirmative vote of a majority of a quorum shall be necessary for the adoption of any motion, measure or resolution. Passage of any motion, measure or resolution may be by voice vote, provided (a) at the request of any member the yea and nay votes shall be recorded upon call of the roll, and (b) such record shall be made in all proceedings involving any adjustment of rates and charges for use of the services and facilities of the mass transportation system of the Authority, authorization of proceedings to acquire property through exercise of the power of eminent domain, the issuance of revenue bonds or mortgage bonds of the Authority, a request that general obligation bonds be issued by any public body for the benefit of the Authority, or approval and authorization of any lease agreement wherein the Authority is the lessor and a public body or public bodies (or any combination thereof) may be the lessee or lessees, as provided in this Act.

Section 8. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) The board shall, within sixty days after the appointment of its entire initial membership, and thereafter in July of each year, elect from its members a chairman and a vice chairman. It may, in its discretion, employ an executive director and a secretary-treasurer, neither of whom shall be a member of the board; provided, however, if the creation and establishment of the Authority is shown by the provisions of the proceedings or joint proceedings to have been undertaken only on a stand-by basis, the board may defer the employment of an executive director and may, on an interim basis, designate a secretary-treasurer from its own membership.

(2) The board may, in its discretion, employ necessary legal counsel and other agents and employees to carry out its work and functions, and may from time to time prescribe and alter such rules and regulations as it may deem necessary.

(3) The executive director, if and when employed in the discretion of the board, shall be experienced and knowledgeable in the field of transportation; and if and when employed, such executive director shall be the chief executive officer of the Authority, having such powers and duties as the board may prescribe. Such executive director may recommend the establishment or alteration of rules and regulations, and of rates and charges for use of the services and facilities of the mass transportation system of the Authority; but action in such respects, and in the issuance of revenue bonds or mortgage bonds of the Authority, and in requesting the issuance of general obligation bonds by other public bodies for the benefit of the Authority, and in authorizing leases of the properties of the Authority for financing purposes, shall be taken by the board, or by the executive committee of the board if properly thereunto authorized.

(4) The secretary-treasurer shall keep the minutes of all meetings of the board, and shall also keep a set of books showing the receipts and expenditures of the board. He shall preserve on file duplicate vouchers for all expenditures and shall present to the board, upon request, complete reports of all financial transactions and the financial condition of the board. Such books and vouchers shall at all times be subject to examination

by the governing body of any public body by which the Authority was created or enlarged. He shall transmit at least once annually a detailed report of all acts and doings of the board to the public body or bodies by whom the board was created. He shall cause all monies of the Authority coming into his hands to be deposited in one or more financial institutions, as designated from time to time by the board.

(5) The board shall require its secretary-treasurer, and its executive director, if and when such executive director shall be employed, each to execute bond in favor of the Authority, in such respective penal sums as the board may fix, in favor of the Authority, and conditioned upon faithful performance of the duties of such offices and full accounting to the Authority for all monies, properties, or other things of value which may come into their hands on behalf of the Authority. Each such bond shall be with corporate surety, provided by a corporate surety company qualified to transact business in Kentucky and approved, in each instance, by the board. The board may in like manner require similar bonds, with corporate surety, to be given by other officers, agents and employees in such manner and in such penal sums, as it may specify from time to time. Premiums payable to sureties upon such bonds shall be paid by the Authority and may be chargeable as an operating expense of the Authority.

(6) The board shall fix the salaries, wages or other compensation of the officers, agents and employees whom it may engage from time to time; in each case within such limitations, if any, as may be prescribed in the proceedings or joint proceedings set forth in the establishment of the Authority, or as such proceedings may be amended; but such salaries, wages or other compensation shall constitute obligations of the Authority only, and shall be payable from the Authority's revenues and any other available resources, and shall not constitute obligations of any city or county participating in the creation and establishment, or subsequent enlargement, of the Authority.

(7) The board may, by resolution duly adopted and spread at large upon its public records, establish an executive committee, composed of such members of the board as may be specified in such resolution, and may authorize such executive committee

to exercise in intervals between board meetings any powers of the board except those powers which are expressly required by this Act or by other controlling provisions of law to be exercised by the board.

(8) The board may create such other committees of its members as it may deem necessary or proper; but the same shall be advisory in nature and shall report to the board or to the executive committee, and shall not be authorized to take any independent action except in such advisory capacity.

Section 9. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) In addition to the powers conferred upon an Authority by this Act, an Authority may acquire real or personal property, franchises, easements, or other rights by any lawful means necessary to its operation of any mass transit system within or without its transit area.

(2) An Authority may, if unable to contract or agree with the owner or owners thereof, acquire real and personal property, franchises, easements and other rights when necessary in and to the accomplishment of the public purposes of the Authority, through exercise of the power of eminent domain. Any exercise of such power shall be initiated by resolution of the board of Authority identifying the properties or rights to be acquired, reciting the board's determination that acquisition by such means is necessary, and authorizing initiation of proceedings as required by law; and such resolution of the board of the Authority shall be conclusive of such determinations and shall not be disturbed in the absence of fraud, bad faith or abuse of discretion.

(3) Proceedings in the exercise of the power of eminent domain herein vested in an Authority shall, except where inconsistent with this Act, be such as are prescribed for the State Department of Highways by KRS 177.082 to 177.089, inclusive, and as the same may be amended and supplemented from time to time. All such proceedings shall be governed by the provisions of the Rules of Civil Procedure except where the provisions of this Act or of KRS 177.082 to 177.089, inclusive, specifically or by necessary implication provide otherwise. If a privately owned mass transportation system, or other property sought to be ac-

quired by an Authority, shall have been acquired or improved in whole or in part at the expense of the Authority, the cost and value of such acquisitions and improvements shall be excluded in any proceedings to establish the fair value thereof.

(4) During any period when negotiations for the purchase of a mass transit system are in progress, and/or during any period when proceedings for acquisition of a mass transportation system through exercise of the power of eminent domain may be pending, an Authority may make reasonable subsidy payments to the owner or owners of such mass transit system if, in the judgment of the board of the Authority, such subsidy payments are necessary in order to give reasonable assurance that there will be no substantial reduction of transportation service to the public. Such subsidy payments may be made by an Authority from any resources available to it, or from appropriations made or agreed to be made to it by any public body having an interest in the preservation of mass transit service to the public; and if bonds are ultimately issued for the purchase or other acquisition of such mass transit system, the aggregate amount of such subsidy payments may be included as a part of the cost of acquisition and made payable from the proceeds of such bonds. In no event, however, shall any action on the part of a board of an Authority in this connection create an indebtedness of the Authority beyond its available resources or such appropriations or the proceeds of such bonds, if and when bonds are issued.

Section 10. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) No Transit Authority established or created under and pursuant to this Act shall be vested with any power to levy taxes of any nature or in any amount.

(2) The governing body of any public body participating in the creation and establishment of an Authority, or in the subsequent enlargement thereof, may, in the proceedings or joint proceedings, or by subsequent action, appropriate and pay over to an Authority from its general funds or from other resources not required by law to be appropriated for other purposes, any sum or sums of money, or any property which such public body shall determine to be necessary or advisable in furtherance of the public purposes of the Authority as set forth

in this Act. An Authority may receive monies or property from any such source, and may use the same in furtherance of its proper purposes; but an Authority shall not pledge anticipated appropriations from any such source for any period beyond the period for which any such appropriations shall be made, except to the extent of committing that any such appropriation, when and if actually received by the Authority, without commitment as to the possible amount thereof, will be applied by the Authority in certain specified ways.

(3) An Authority may accept gifts, grants, or loans of money or other property from the United States, the state, or any person or entity for such purposes, may enter into any agreement required in connection therewith, may comply with any federal or state laws or regulations applicable thereto, and may hold, use, and dispose of such money or property in accordance with the terms of the gift, grant, loan, or agreement relating thereto.

Section 11. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

An Authority may operate any mass transit system which it established or acquires, including any integral portions thereof which may be outside of and beyond the Authority's transit area, as defined in this Act; or instead of operating the same in its own name, an Authority may enter into one or more management contracts for operating the same or any part thereof, under such terms and conditions as it may determine to be proper and desirable; provided, however, any such management contract shall retain in the Authority the power to establish, and to adjust from time to time, rates and charges to be exacted from the public for use of the services and facilities referred to therein, and the power to issue revenue bonds, mortgage bonds, or other obligations of the Authority payable from the income and revenues thereof.

Section 12. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

An Authority shall be responsible for over-all planning of mass transit in its transit area. An Authority must consult, cooperate and cordinate with any other state, local or federal plan-

ning agency or department, having responsibilities and/or authority in the same transit area according to federal and state laws. The ultimate goal of such planning shall be improvement of an existing mass transit system or systems, or the creation of a new mass transit system or systems, alone or in combination with highway, road and street systems on the state and local levels.

Section 13. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

For the purposes of acquiring or otherwise establishing one or more mass transit systems, or parts thereof, or for the purpose of adding to extending or improving one or more mass transportation systems owned or to be acquired or established, or for any combination of such purposes, an Authority may resort to financing according to any of the following financing methods, or any combination thereof, to the extent not inconsistent, one with another:

(1) Upon determination of its financing needs, an Authority, by resolution of its board, may request the public body responsible for its creation and establishment, or any one or more of such public bodies if there be more than one, (a) to appropriate and pay over to the Authority all or any part of the amount determined to be necessary, or (b) to provide the amount so determined to be necessary, or any part thereof, from the proceeds of general obligation bonds of such public body or public bodies, in which event the governing body or governing bodies of such public body or public bodies may, in its or their discretion, take such action as may be required by the Constitution and applicable statutes of the Commonwealth to submit to the voters thereof, at one or more elections to be held for such purpose, a proposal or proposals that the issuance of such general obligation bonds be approved and authorized, and if so approved and authorized, such general obligation bonds may be issued and the proceeds thereof may be appropriated to the Authority in the manner requested;

(2) An Authority may issue revenue bonds in its own name, payable solely from its income and revenues, and not constituting or purporting to constitute an indebtedness of the Authority or of any other public body within the meaning of debt-limiting

provisions of the Constitution and applicable statutes of the Commonwealth, in the manner and in accordance with the procedures set forth in KRS 58.010 to 58.170, inclusive, and KRS 61.290, subject to any interest rate limitations which may be applicable thereto as provided by law;

(3) An Authority may issue its mortgage bonds, as authorized by KRS 58.170 and may make provision for obtaining revenues for the payment of the principal of and interest thereon, and for the payment of costs of operation and maintenance, and for the accumulation of reserves for renewals, replacements, extensions and improvements, and for debt service reserves, by leasing any mass transportation system owned by the Authority, or to be acquired or established by the Authority (or, if there be more than one mass transportation system, by leasing the same individually or in any combination) to one or more public bodies, whether or not such public bodies, or any of them, shall have participated in the creation and establishment of the Authority. Any such lease shall be a written instrument, executed by the Authority as lessor, and by one or more public bodies, as a lessee or lessees, for a period of one year (which may be from the date of the mortgage bonds, or from the date of acquisition or other establishment of the mass transit system or systems referred to therein), with exclusive options to the lessee or lessees to renew the same thereafter, from year to year, for one year at a time, upon such rentals and other terms and provisions as will provide to the Authority, in the event such lease is renewed by the lessee or lessees from time to time in accordance with such options, annual sums sufficient to provide for meeting the purposes of this subsection;

(4) General obligation bonds issued for the benefit of an Authority, or revenue bonds or mortgage bonds issued by an Authority may, in the discretion of the parties involved in the issuance thereof, be refinanced, whether at maturity or upon prior redemption in accordance with the terms thereof, by the issuance of bonds according to any of the financing plans herein authorized.

Section 14. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Bonds issued by an Authority, or by public bodies for the

benefit of an Authority, under the provisions of this Act, are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, credit unions, building and loan associations, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer of any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations is now or may hereafter be authorized by law.

Section 15. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Revenue bonds and mortgage bonds of an Authority, together with interest thereon, shall be exempt from ad valorem and income taxation by the Commonwealth and all of its political subdivisions. The properties, monies and other assets of an Authority, and all revenues or other income of an Authority, shall be exempt from all taxation, licenses, fees, or charges of any kind imposed by the state or by any county, municipality, political subdivision, taxing district, or other public agency or body of the state.

Section 16. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Any department or agency of the United States or state government or any county, municipality, or other public agency may sell, lease, grant, transfer, or convey to an Authority, with or without consideration, any facilities or any part or parts thereof or any real or personal property or interest therein which may be useful to the Authority for any authorized purpose. In any case where the construction or installation of any such facilities has not been completed, the public agency concerned may also transfer, sell, assign, and set over to the Authority, with or without consideration, any existing contract for the construction or installation of the facilities.

Section 17. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) Notwithstanding the provisions of any law or municipal charter or ordinance to the contrary, an Authority, acting through its board, on its own motion or on petition of any municipality, or other public agency, may investigate the need for changes in existing routes, rates, fares, charges and schedules, in effect in any mass transit system now hereafter operating in its transit area. In conducting such investigation, the Authority shall consider requests or recommendations made by any affected public body or other public agency, and shall give due consideration to street surfaces, traffic conditions, cost of operations, and the planning programs of such public body or agency. In connection with any such investigation, the Authority may hold hearings on any matter under consideration, affording all parties concerned an opportunity to appear and be heard thereat. If upon any such investigation or hearing the Authority finds that there is no need for any change in existing routes, rates, fares, charges or schedules of an existing transit system conditions or operation, it shall make an order so determining and shall discontinue its investigation. If the Authority finds that there is need for any such change, it shall proceed as provided in subsection (2) of this Section.

(2) If an Authority upon investigation or hearing as provided in subsection (1) of this Section, finds that any change in routes, rates, fares, charges, or schedules of an existing mass transit system will be in the public interest, the Authority is hereby authorized to file, in its own name or for and on behalf of one or more designated public bodies having an interest in the subject matter, an application for the proposed change or changes with the State Department of Motor Transportation, and shall at the same time serve a copy of the application of the affected mass transit system. The procedure upon such application shall be the same as the procedure in, and in all other respects the application shall be governed by, the statutes relating to applications for changes in routes, rates, fares, charges or schedules filed by motor carriers as provided in KRS Chapter 281, and statutes amendatory thereof or supplementary thereto, insofar as applicable.

Section 18. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

An Authority created and established under this Act, together with its ownership, financing, operation, rates and changes for use of its services and facilities, rules and regulations, routes, schedules and quality of service shall be exempt from all jurisdiction of the Department of Motor Transportation of the Commonwealth, as contemplated and provided by KRS Chapter 281 and any laws amendatory thereof or supplementary thereto.

Section 19. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

An Authority shall provide for insurance of its properties, and for workmen's compensation, and for public liability or any other risk or hazard arising from its activities, and may provide for the insuring of its officers or employees against any such risk or hazard, and the expense of obtaining such insurance, and of paying the premiums therefor from time to time, shall be borne by the Authority and chargeable as an operating expense of the Authority. In the event it shall prove to be impossible to obtain any such insurance coverage from reliable and reputable insurance carriers at reasonable rates, the board of an Authority may provide for self insurance and may establish for that purpose such reserves as may be within its ability to pay.

Section 20. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

The owner of any privately owned mass transportation system operating in whole or in part within the transit area of an Authority shall, upon demand of the Authority or its authorized agents, produce and permit to be examined, its accounts, books, records, memoranda, correspondence, and other documents relating to such mass transit operations; and the Authority or its authorized agents may inspect the same at the owner's place of business, whether within the Commonwealth or outside thereof, and may make copies of any such material; and the Authority or its authorized agents shall have access to and may inspect any of the lands, buildings, facilities or equipment of any such owner at any reasonable time during business hours.

Section 21. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Each Authority shall employ a state-licensed public accountant, or firm thereof, to make an annual audit of the Authority's

financial accounts and affairs, and to make a report thereof, including comments of the auditor regarding whether or not the Authority is in compliance with statutory requirements and with lawful covenants and commitments made in its contract or bond proceedings. A copy of each audit report shall be filed and kept open for public inspection in the office of the secretary-treasurer of the Authority, and a copy shall be provided to the clerk, secretary or other appropriate office of record of each public body which may have participated in the creation and organization of the Authority, or in the subsequent expansion thereof.

Section 22. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

If an Authority acquires an existing transit system, the Authority shall assume and observe all existing labor contracts and pension obligations. All employees of such system who are necessary for the operation thereof by the Authority shall be transferred to and appointed as employees of the Authority. Such employees shall be given seniority credit and sick leave, vacation, insurance, and pension credits in accordance with the records or labor agreements from the acquired transit system. The Authority shall assume the obligations of any transit system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement provisions for employees. The Authority and the employees, through their representatives for collective bargaining purposes, shall take whatever action may be necessary to have pension trust funds presently under the joint control of the acquired transportation system and the participating employees through their representatives transferred to the trust fund to be established, maintained and administered jointly by the Authority and the participating employees through their representatives. No employee of any acquired transportation system who is transferred to a position with the Authority shall by reason of such transfer be placed in any worse position with respect to workmen's compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance or any other benefits than he enjoyed as an employee of such acquired transportation system.

Section 23. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Counties and cities of this state abutting upon the boundary line between this state and any other state are hereby authorized separately, jointly with each other, or jointly with any other county, municipality or political subdivision of any such abutting state to form a Transit Authority or to become a part of an existing Transit Authority as authorized by this Act, with the broad and specific powers granted hereunder; provided, however, that any contract, agreement or compact authorized to be made under this Section, shall be made with due regard to such federal or state constitutional requirements, as may prevail at the time of the making thereof.

Section 24. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

When an Authority has made a determination, as a matter of record, that it will authorize and issue in its own name revenue bonds under authority of Section 13 (2) of this Act, or mortgage bonds under authority of Section 13 (3) of this Act, such Authority may obtain interim construction or acquisition financing monies through the authorization and issuance of its "revenue bond anticipation notes," or its "mortgage bond anticipation notes," as the case may be, the same to be shown in the text thereof to be payable as to principal and interest solely from the proceeds of the authorized revenue bonds or mortgage bonds, as the case may be. Such notes shall mature not later than one year from the date of issuance thereof, as the Authority may determine, and shall be renewable at or prior to maturity according to the provisions of the Authority's proceedings incident to the issuance thereof. Such anticipation notes need not be offered at an advertised public competitive sale, but may be offered in the manner provided for in the case of similar notes of certain state agencies, according to KRS 56.513.

Section 25. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

The provisions of this Act are severable, and if any provision of this Act, or the application of any such provision under certain circumstances, shall be held to be invalid, the invalidity of such provision or provisions shall not affect any other provisions of this Act or the application thereof under different circumstances.

HB 402, AN ACT relating to municipal improvements.

WHEREAS, it is in the best interests of the public health, safety and general welfare of the residents and inhabitants of public bodies authorized to carry out public improvements pursuant to Chapter 107 of the Kentucky Revised Statutes, that said statutes provide the most flexible and liberal procedures to said public bodies to the end that necessary municipal improvements may be financed in the most expeditious fashion; and

WHEREAS, certain features of the present Acts codified as Chapter 107 of the Kentucky Revised Statutes are unnecessarily restrictive, in that public bodies are not permitted by the present law to finance water system improvements except in a county containing a city of the first class, and public bodies are specifically authorized to abandon preexisting commitments for improvements, and use the alternative authority of Chapter 107 only in the case of street improvements, and not in the case of water and sewer improvements, which is effecting a hardship in many cases; and

WHEREAS, the public policy of the Commonwealth favors the acquisition, construction and installation of public facilities designed to enhance and protect the public health, safety and general welfare, such as sanitary sewers, sewage treatment facilities, water mains and public ways;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 107.010 of the Kentucky Revised Statutes is amended to read as follows:

Incorporated municipalities are authorized to provide for, *acquire* construct, and finance improvements, as herein defined, according to the plan set forth in this chapter. The authority hereby conferred is not intended to be in derogation of any authority otherwise conferred upon such *municipalities* [cities], but is alternative and in addition thereto. If a *municipality* [city] has taken any step or steps under any other law to provide for, construct or finance *any* [street] improvements *allowed to be undertaken by this chapter,* it may abandon the procedure under the other law, if it so desires, and proceed under the provisions

of this chapter, if it can do so without impairing any contractual right or contractual rights.

Section 2. Section 107.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The term "governing body," as used in this chapter, means and includes the legislative body of any city, whether the same be designated by applicable statutes as a general council, a common council, a city council, a board of trustees, a board of commissioners, or otherwise.

(2) The term "ordinance" means and includes any ordinance enacted in accordance with the general laws applicable to ordinances of the class of city in question, and the form of government thereof, and in accordance with the provisions of this chapter.

(3) The term "public way" means and includes streets, boulevards, avenues, roads, lanes, alleys, parkways, courts, terraces, and other courses of travel open to the general public by whatsoever name designated.

(4) The term "improvement" and "project" mean and include (a) the *acquisition or* [new] construction of public ways or the substantial reconstruction or widening thereof, (b) the *acquisition,* construction, installation or substantial reconstruction of sanitary, storm, or combined sewers and appurtenances, (c) the *acquisition,* [new] construction, enlargement or substantial reconstruction of sewage treatment plants for rendering sewage less hazardous to public health, safety and general welfare, (d) the *acquisition,* construction, installation or substantial replacement of fire hydrants in cities of the third through sixth classes, necessary water mains and appurtenances in a city in a county containing a city of the first *or second* class, or (e) any combination of the same. Bonds for improvements defined in (b), [and] (c) *and (d)* of this subsection may be caused to mature as to principal in term or serial maturities not to exceed thirty years from date of issue, instead of being limited to twenty years from date of issue as otherwise provided in KRS 107.090.

(5) The term "costs" as applied to any project undertaken under this chapter includes the cost of labor, materials, and equipment necessary to complete the project in a satisfactory manner, cost of land acquired, and every expense connected with

the project, including preliminary and other surveys, inspections of the work, engineers' fees and costs, attorneys' fees, preparation of plans and specifications, publication of ordinances and notices, interest which will accrue on the bonds until the due date of the first annual improvement assessment levied in connection therewith, a sum equal to any discount in the sale of the bonds (if discount bids are authorized and permitted by the governing body), a reasonable allowance for unforeseen contingencies, the printing of bonds, and other costs of financing which may include the payment of a fee to a fiscal agent for advice and assistance in the preparation and marketing of the bonds.

(6) The term "assessed value basis" means the plan for the levying of annual improvement benefit assessments on the basis of the assessed values of the benefited properties, as authorized by this chapter.

(7) The term "front-foot basis" refers to the plan for financing improvements by apportioning the cost among benefited properties upon the basis of the number of linear feet thereof abutting upon the improvement project, as otherwise provided by law.

(8) The terms "property to be benefited," "properties to be benefited," "benefited property" and "benefited properties" all mean and refer to the property or properties defined in KRS 107.140.

Section 3. Whereas, many municipalities are in need of authority to finance public improvements as authorized by the amendments to the statutes herein identified, and as such public improvements are directly related to the public health and general welfare, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

HB 383, AN ACT changing the classification of the City of Auburn in Logan County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Auburn in Logan County is such to justify its being classified as a city of the fifth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Auburn in Logan County is transferred from the sixth to the fifth class of cities.

HB 354, AN ACT relating to pension fund for second class city employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 90.400 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any city of the second class adopting a civil service plan under KRS 90.310 shall provide by ordinance for the creation and maintenance of a pension fund for employes under civil service by the levy of a tax of not exceeding five cents on each one hundred dollars value of taxable property in the city, *or by the levy of a tax on each one hundred dollars of assessed valuation at a rate which will produce not in excess of 6 percent of the total salaries paid annually to city employes covered in the city civil service plan,* the proceeds of that tax to be paid to the pension fund in cash, and may assess monthly such amount or percent of the salary of the employes as may be equitably determined on a fair actuarial basis, not to exceed five percent of the monthly salary of any employe, the assessment to be deducted from the employes' salaries and paid in cash into the pension fund.

(2) The city may create a board for the pension fund and designate trustees of that board, and may fix the powers of the trustees, determine the eligibility of employes or their dependents to a pension or other benefit, and may provide a monthly allowance for employes eligible for a pension.

(3) Temporary employes appointed without examination shall not be compelled to contribute to any pension fund and shall not be eligible to benefits.

(4) In no year shall the contribution by the city to the pension fund, in the manner provided in this section, be less than the

total amount assessed upon and deducted from the salary of the employes.

(5) The trustees of the pension fund shall, at least once every three months, report in writing to the mayor the receipts, expenditures and financial status of the pension fund, stating the places of deposit of funds, or the character of investments made, and the mayor shall cause copies of the report to be posted in at least three places where city employes frequent and report.

(6) When any city of the second class adopts an ordinance under this section for the creation of a pension fund and accepts from its employes a portion of their wages and levies a tax therefor, an inviolable contract shall be created between the city as employer and its employes, and the city and its employes shall continue to operate under KRS 90.310 to 90.410 and the adopting ordinance. A repeal of that ordinance by the city shall in no wise affect such employes unless by the mutual consent of the city and an employe or employes.

HB 98, AN ACT relating to publication of ordinances.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 87.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) No ordinance or resolution, granting a franchise for any purpose shall be passed by the city council on the day of its introduction, nor within five days thereafter, nor at any other than a regular meeting. No resolution or order for the payment of money shall be passed at any other time than a regular meeting. No ordinance, resolution or order shall have any validity or effect unless passed by the votes of at least three members of the city council.

(2) The enacting clause of all ordinances shall be as follows: "The city council of the city of _____ does ordain as follows."

(3) Every ordinance shall be signed by the mayor attested by the clerk, [and] published pursuant to KRS Ch. 424 *by its title only, which shall clearly and adequately describe the sub-*

ject matter covered by the ordinance, and posted in its entirety in at least three public places in the city, one of which shall be on the city building, and shall be in force from and after the publication *and posting.*

(4) The validity or constitutionality of any city ordinance, bylaw or rule shall be tried by a writ of prohibition from the circuit court of the county in which the city is located, with right of appeal by either party to the Court of Appeals.

Section 2. Section 88.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) No ordinance or resolution granting any franchise shall be passed by the board of trustees within five days after its introduction, nor at any other than a regular meeting. No resolution or order for the payment of money shall be passed at any other than a regular meeting. Except as provided in KRS 95.810, no ordinance incurring a liability, or requiring an appropriation exceeding fifty dollars for any one object or purpose, shall be valid unless it is voted for by four members of the board and the yeas and nays are entered upon the journal.

(2) The enacting clause of all ordinances shall be as follows: "The board of trustees of the city of _____ does ordain as follows."

(3) Every ordinance shall be signed by the chairman, attested by the clerk, [and] published pursuant to KRS Ch. 424 *by its title only, which shall clearly and adequately describe the subject matter covered by the ordinance, and posted in its entirety in at least three public places in the city, one of which shall be on the city building,* and shall be in force from and after the publication *and posting.*

The Committee on Counties and Special Districts reported **HB 264, HB 41** with Committee Amendment attached thereto, **HB 123** and **HB 81** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 264, AN ACT relating to sheriffs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 64 of the Kentucky Revised Statutes is created to read as follows:

In counties containing cities of the first class, the sheriff shall receive, for each prisoner kept and dieted, the sum of five dollars per day.

HB 41, AN ACT relating to adoption of county budgets by fiscal courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 68.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) The proposed county budget adopted by the county budget commission and approved by the State Local Finance Officer as to form and classification shall be submitted to the fiscal court for adoption [at the time fixed for the adoption of the county levy and budget, but] not later than July 1 of each year. The county budget commission shall cause a copy of the proposed budget to be posted in a conspicious place in the courthouse near the front door, and to be published pursuant to KRS Chapter 424, at least ten days before final adoption by the fiscal court.

(2) Any taxpayer or group of taxpayers may petition the fiscal court in respect to the budget or any part thereof before final adoption.

(3) If the fiscal court rejects any part of the proposed budget, it shall make the changes in the nature and amount of funds a majority of the court considers desirable; but it has no power to make any change in the form or classification of the budget units or subdivisions of units.

The Committee Amendment to **HB 41** is as follows:

Amend printed copy of House Bill 41 on page 1, line 8, by: inserting after the word "year" and before the words ". The" the following words: *"or within ten days after receipt of the certified assessment from the Department of Revenue, as provided in KRS 133.180, whichever shall be later"*

HB 123, AN ACT relating to county attorneys acting as counsel for water districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 74.030 of the Kentucky Revised Statutes is amended to read as follows:

The [county attorney shall act as counsel to the] water [commission, except that the] commission [may] *shall,* subject to approval of the court, employ counsel whose compensation shall be paid from water district funds.

HB 81, AN ACT relating to county commissioner districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 67 of the Kentucky Revised Statutes is created to read as follows:

(1) A county may be reapportioned into county commissioner districts at any county court term four years after a previous apportionment, but not within sixty days prior to an election for county commissioner. No reapportionment-commissioners shall be appointed to make the reapportionment until notice of the application for reapportionment has been given according to the provisions of KRS Chapter 424, at least twenty days before the term of court at which the application is made. If, on the trial of the exception to the reapportionment-commissioner's report, it appears that a reapportionment is not necessary, the court may refuse the application and dismiss the proceeding at the cost of the applicant.

(2) When the provisions of subsection (1) have been complied with, the county judge shall, in open court, appoint three competent citizens of the county over twenty-one years of age, and residing in different portions of the county and in different county commissioner districts, as reapportionment-commissioners to reapportion the county into three county commissioner districts, as nearly equal in territory and population as possible. The reapportionment-commissioners, before they proceed to act, shall be sworn to faithfully perform their duties. They shall receive

out of the county treasury a reasonable compensation for their services, fixed by the fiscal court.

(3) The reapportionment-commissioners shall within twenty days after their appointment lay off the boundary lines of the districts. No boundary of a county commissioner district shall cross the boundary line of an election precinct. They shall file in the office of the county clerk a written report, showing the boundary of each district and the estimated population in each. At the next regular term of the county court commencing not later than ten days after the filing of the report, any citizen of the county may file exceptions, and the court shall fix a day not later than ten days after the filing of the exceptions for a trial thereof. On the trial the court shall dispose of the exceptions and, by order of record, establish the boundaries of the districts.

The Committee on Education reported **HB 61** and **HB 206** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 61, AN ACT relating to personal leave for teachers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 161 of the Kentucky Revised Statutes is created to read as follows: (1) For the purpose of this section, "teacher" shall mean any person for whom certification is required as a basis of employment in the common schools of the state.

(2) Each district board of education shall allow to each teacher in its common school system not less than three days' personal leave during each school year, without deduction of salary. Personal leave shall be granted if the teacher presents a written statement stating that he is taking leave for reasons of personal urgency. The teacher's determination of what constitutes "personal urgency" shall control and the teacher shall not be required to provide further reasons or explanation.

(3) Personal leave granted under this section shall not be treated as having effect on the provisions of KRS 161.155.

(4) Payments made by a district board of education under

the provisions of this section are presumed to be for services rendered and for the benefit of the common schools and the payments do not affect the eligibility of any school district to participate in the foundation program as established in KRS Chapter 157.

HB 206, AN ACT relating to transportation for pupils.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 158.110 of the Kentucky Revised Statutes is amended to read as follows:

Boards of education shall furnish transportation from their general funds or otherwise for *any* pupil[s] of elementary *or high school* grade *whose* [who do not reside within reasonable walking distance of the school provided for them, and any board of education may provide transportation from its general funds or otherwise for any pupil of any grade who does not live within a reasonable] walking distance from *home to* the school provided for him *by way of public roads, passable by vehicular travel, is in excess of one mile.* The boards of education shall adopt such rules and regulations as will insure the comfort, health and safety of the children who are transported, consistent with the rules and regulations of the State Board of Education dealing with the transportation of pupils.

The Committee on Rules reported **HB 95** with Committee Amendment attached thereto, **HB 172, HB 186** with Committee Amendment attached thereto, **HB 226, HB 275, HB 303** with Committee Substitute attached thereto and Committee Amendment to the Committee Substitute for **HB 303, HB 360** with Committee Amendment attached thereto, **SB 10** and **SB 66** have been posted for passage in Orders of the Day, February 20, 1970.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 12** had been examined and found correctly enrolled. **HB 12** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 12 delivered, signed by President. Ordered delivered to the Governor.

Calendar

HB 48, HB 62, HB 125, HB 143, HB 153, HB 223, HB 250, HB 286, HB 288, HB 382, HB 387, HB 309, HB 388, HB 389, HB 390, HB 464, HR 45, HR 48, SB 61, SB 112, SB 147 and **SB 197** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Representative Collins moved that the House adjourn today until 11:00 a.m., February 20, 1970. Rejected.

Representative Wells moved that the Rules be suspended for the reading of a Resolution. Agreed.

HR 58, A RESOLUTION commending the action of the Bourbon County Teachers Association and the Paris Education Association.

WHEREAS, the Bourbon County Teachers Association and the Paris Education Association recently registered their opposition to the possible statewide teacher work stoppage being considered by the Kentucky Education; and

WHEREAS, the action of these two associations is the only oppositive action by any teachers' organization which has been brought to the attention of the Kentucky House of Representatives; and

WHEREAS, if any other teachers' associations in the Commonwealth have taken similar action, they shall be included within the terms of this resolution; and

WHEREAS, the House of Representatives is aware that there is a need for consideration of the status of education and teachers; and

WHEREAS, the House of Representatives is also aware of the effects of the high cost of living on the remainder of the citizens of this Commonwealth; and

WHEREAS, the House of Representatives is aware of the effect of an excessive tax burden on the citizens of this Commonwealth; and

WHEREAS, the development of the youth of Kentucky is greatly desired but cannot be accomplished by the absence of students from the classroom; and

WHEREAS, these students need to be taught responsibility and obedience, by precept and example, as well as material knowledge; and

WHEREAS, these associations placed the general well-being of the students above their own by voting to remain in the classroom;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Bourbon County Teachers Association and the Paris Education Association, and any other teachers associations taking similar action, be and they hereby are commended and congratulated for placing the welfare of the Commonwealth's most valuable product, its children, above their own; and

Section 2. That copies of this resolution be sent to the president of the Bourbon County Teachers Association, the Paris Education Association, and any other teachers association who have taken similar action.

Representative Wells moved the adoption of **HR 58.**

Representative W. J. Reynolds moved that **HR 58** be referred to the Committee on Rules for further study. Agreed.

Motions, Petitions and Communications

Representative Allen moved the adoption of **HR 57.** Agreed.

HR 57, by Representative Allen: A RESOLUTION relating to a hazardous railroad crossing at Royalton, Kentucky.

WHEREAS, a railroad crossing is located on Route 7, a busy state highway, at Royalton, Kentucky; and

WHEREAS, full view of the crossing is obstructed by three buildings of such size that they block the entire view of the crossing; and

WHEREAS, visibility at said crossing is so poor that a train cannot be seen until one is upon the tracks and at the mercy of the oncoming locomotive; and

WHEREAS, engineers of oncoming trains cannot see motorists until they are upon the tracks; and

WHEREAS, even if the engineer does see a vehicle upon the tracks he cannot, due to the tremendous weight and forward momentum of the train, possibly stop his train until it has possibly ground several lives under its wheels and gone far beyond the crossing; and

WHEREAS, many engineers pay only "lip service" to the law requiring blowing of the train whistle and sounding of the bell; and

WHEREAS, sounding of the whistle is the only warning that the motorist will ever receive before he is run down by the oncoming train; and

WHEREAS, the record shows that the view is equally obstructed from both approaches to the crossing as witnessed by the following incident:

"A truck and a sports car approached the crossing at the same time from different directions. Each was proceeding in a cautious manner. Both entered the crossing and were struck by an oncoming train. The force of the impact was so great that both vehicles were carried some distance down the tracks and the truck was piled on top of the mangled auto. The result — several more maimed Kentuckians," and

WHEREAS, the General Assembly does not believe that encounters at railroad crossings should be a sport in which human lives are pitted against the locomotive; and

WHEREAS, the General Assembly does not wish the trail of blood at this crossing to be enriched by that of young, in-

nocent school children which could happen so suddenly if the school bus had been substituted for the truck in the above accident; and

WHEREAS, the Railroad Commission already has within its power the tools for assuring a high degree of safety at this crossing simply by ordering the railroad to install a crossing gate pursuant to the provisions of Section 277.140 of the Kentucky Revised Statutes;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Railroad Commission is hereby formally requested by the House of Representatives of the Commonwealth of Kentucky to require the installation of a crossing gate for the protection of the lives of the citizens of this Commonwealth at the Route 7 railroad crossing at Royalton, Kentucky.

Section 2. That the Railroad Commission carry out this action in the most expeditious manner possible.

Section 3. That attested copies of this resolution be sent by mail to the Governor of the Commonwealth, the Railroad Commission chairman, the Commissioner of the Department of Highways, the County Judge of Magoffin County, and the members of the fiscal court of Magoffin County.

Representative Conn moved that the House adjourn today in honor of Mrs. Blume, wife of Representative Blume. Agreed.

Orders of the Day

Representative E. G. Brown moved that consideration of **HB 159, HB 272** and **HB 112** with Committee Amendment attached thereto, be deferred and that they retain their position in Orders of the Day. Agreed.

HB 234 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved

that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 86—Alexander, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Knuckles, Lewis, Lindsay, Louden, McBrayer, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 6—Allen, Kleier, Lovins, McBride, Ray, Reed.

HB 234 was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **HB 234** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative E. G. Brown moved that consideration of **HB 304** and **HB 65** with Committee Amendment attached thereto be deferred and that they retain their position in Orders of the Day. Agreed.

HB 71, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Donnermeyer moved the adoption of the Committee Amendment to **HB 71**. Agreed.

On the roll call the vote was yeas 72—Alexander, Allen, Bartley, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Curlin, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head,

Hinkle, Holloway, Hughes, Isler, Keith, Kenton, Kessinger, King, Kleier, Knuckles, Lindsay, Louden, Lovins, McBride, McNamara, Massey, May, Mershon, Miller, Murphy, Nett, Parish, Paxton, Peak, Pollitte, Priddy, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Ruh, Schmidt, Sharpe, Siemens, Simmons, Stuart, Tobin, Van Horn, Wells, Wenz, John E. White, Wible, Wright, Yocom. Nays 13—Baker, Conn, J. A. Davis, DeMarcus, Huff, Lewis, Mitchell, Osborne, Prather, Rickert, Salyers, Swinford, G. White.

HB 71 as amended was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **HB 71** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative E. G. Brown moved that consideration of **HB 211** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 320 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 69—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, James A. Davis, DeMarcus, Donnermeyer, Dorris, Durham, Freeman, Graves, L. T. Hardin, Head, Huff, Hughes, Isler, Keen,e Keith, Kenton, Kidd, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, Mershon, Miller, Murphy, Nett, Osborne, Paxton, Prather, Priddy, Rattliff, Reed, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Wels, Wenz, West, Wheeler, Glenn White, Wible, Wyatt, Yocom. Nays 12—Deskins, Floyd, Hinkle, Kessinger, King, Lovins, May, Peak, Ray, W. J. Reynolds, Van Horn, Wright.

HB 320 was passed and the title agreed to.

Representative Conn moved that the vote by which **HB 320** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HJR 41 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 83—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McKinney, McNamara, May, Mershon, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HJR 41 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HJR 41** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 50 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage.

Representative Roberts moved the adoption of the following **HR 50:**

HR 50, A RESOLUTION honoring Thomas More College.

WHEREAS, Thomas More, the man, was born of the people whom he served through his life; and

WHEREAS, Sir Thomas More, the statesman, rose to a position of unmarked eminence as Chancellor of England, advocating the establishment and maintenance of a nation of laws rather than of men; and

WHEREAS, Saint Thomas More, the man of conscience, laid down his life as the ultimate sacrifice on the altar of freedom, defending literally to the death his belief that only freedom can stand the careful searching examination of truth; and

WHEREAS, Thomas More, the scholar, was a man of rare intellectual gifts and attainments as an author and as an educator; and

WHEREAS, this "man for all seasons" stands today, as he has for four hundred years, for those values which are the intellectual and governmental bases of this great nation; and

WHEREAS, it is particularly fitting that an institution devoted to education should, by taking his name, emulate this man; and

WHEREAS, Thomas More College has been dedicated by a President of the United States as a fitting and proper bearer of this honored name; and

WHEREAS, this institution has earned the praise and respect of all Kentuckians as an educator and as a proving and developing ground for young people; and

WHEREAS, this institution has now served with distinction this Commonwealth and this Nation for fifty years;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this House of Representatives, speaking for all Kentuckians, congratulates and honors Thomas More College on its fiftieth anniversary.

Section 2. That the Clerk of the House is directed to send an attested copy of this Resolution to The Reverend John F. Murphy, President, Thomas More College, Fort Mitchell, Kentucky 41017.

Agreed.

Representative Kleier moved that the Rules be suspended for Introduction of Bills and Resolutions: Agreed.

Introduction of Bills and Resolutions

HB 538, by Representative May: AN ACT relating to persons under disability.

HB 539, by Representatives Rickert and Prather: AN ACT relating to the Ninth Circuit Court District.

HB 540, by Representatives DeMarcus, Schmidt and Stuart: AN ACT relating to air pollution control districts.

HB 541, by Representatives Allen, Deskins and Salyers: AN ACT relating to teacher's retirement allowances.

HB 542, by Representatives Kleier and Wright: AN ACT relating to authorized investments of fiduciaries.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Appropriations and Revenue: **HB 82.** (Room 402, February 24, 1970, 1:00 p.m.)

Banking and Insurance: **HB 279, HB 285, HB 432, HB 434, HB 460, HB 497, HB 470, SB 114, SB 122.** (Room 401, February 24, 1970, 1:30 p.m.)

State Government: **HB 426, HB 465.** (Room 401, February 20, 1970, 10:30 a.m.)

Judiciary: **HB 499, HB 475.** (Room 402, February 20, 1970, 10:00 a.m.)

Health and Welfare: **HB 393, HB 396, HB 399, HB 415, HB 447, HB 424, HB 428, HB 429, HB 436, HB 472, HB 485.** (Room 404, Special Meeting February 20, 1970, 10:00 a.m.)

Cities: **SB 201, HB 371, HB 425, HB 502.** (Room 401, February 26, 1970, 11:00 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Highways and Traffic Safety: **HJR 38.**

Representative McNamara moved that the House adjourn until 1:00 p.m., Friday, February 20, 1970. Agreed.

FRIDAY, FEBRUARY 20, 1970

THIRTY-SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Earl S. Bell, Harlan Baptist Church, Harlan, Kentucky.

The roll was called. All present except Representatives A. Brown, Collins, Head, McGill, Priddy, R. Reynolds, T. P. Reynolds, Wheeler and Wible.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 19, 1970, be dispensed with and the same approved.

Introduction of Bills and Resolutions

HB 543, by Representatives Peak and Swinford: AN ACT relating to Urban County Government.

HB 544, by Representatives DeMarcus and Blume: AN ACT relating to the sharing of case information by state and local governmental agencies.

HB 545, by Representatives DeMarcus and Blume: AN ACT relating to child labor.

HB 546, by Representatives DeMarcus and Blume: AN ACT relating to reporting cases of child abuse and children suffering from malnutrition.

HB 547, by Representative DeMarcus: AN ACT relating to unemployment compensation.

HB 548, by Representatives H. Brown, Kenton, Clapp, Sharpe, West and Keith: AN ACT relating to circuit court clerks.

HB 549, by Representative Paxton: AN ACT proposing to amend Section 42 of the Constitution of Kentucky, relating to sessions of the General Assembly.

HB 550, by Representatives Paxton, Pollitte, Massey and May: AN ACT relating to corporations.

HB 551, by Representatives Clarke, J. O. Hardin, Lindsay, Rickert and McCann: AN ACT relating to the Personnel Board.

HB 552, by Representative Freeman: AN ACT relating to the registration of motor vehicles.

HJR 60, by Representative Yocom: A JOINT RESOLUTION directing a study of fire departments.

HR 61, by Representatives Arnett, Wenz, Swinford and Hinkle: A RESOLUTION requesting the Kentucky Department of Parks to build a lodge at Blue Lick State Park.

HR 62, by Representative Simmons: A RESOLUTION commending national, state and local organizations of the Future Farmers of America, and recognizing the week of February 21-28 as National FFA Week.

Report of Committees

The Committee on Health and Welfare reported **SB 18,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

The Committee on Judiciary reported **HB 118** with Committee Substitute attached thereto, **HB 217** with Committee Substitute attached thereto, **HB 418** and **HB 483** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 118, AN ACT relating to the illegal use of credit cards.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context requires otherwise:

(1) "Cardholder" means the person or organization named

on the face of a credit card to whom or for whose benefit the credit card is issued by an issuer;

(2) "Credit card" means any instrument, device or credit number, whether known as a credit card, credit plate, telephone credit number, or by any other name, which is issued with or without fee by an issuer for the use of the cardholder in obtaining money, goods, services, telephone service, or anything else of value on credit;

(3) "Expired credit card" means a credit card which is no longer valid because the term shown on it has elapsed;

(4) "Issuer" means the business organization or financial institution which issues a credit card or its duly authorized agent;

(5) "Receives" or "receiving" means acquiring possession or control or accepting as security for a loan.

Section 2. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person who takes or obtains a credit card from the person, possession, custody or control of another without the cardholder's consent is guilty of a felony to be known as credit card larceny. Taking a credit card without consent includes but is not limited to obtaining it by conduct defined or known as statutory larceny, common law larceny by trespassory taking, common law larceny by trick, embezzlement, or obtaining property by false pretense, false promise or extortion.

(2) Any person who knowingly receives a credit card obtained by credit card larceny or violation of KRS 434.090 or that is lost, mislaid, or delivered under a mistake as to the identity or address of the cardholder and who retains possession with intent to sell or transfer it to a person other than the issuer or cardholder; or buys, sells, or transfers such a card is guilty of a misdemeanor; but if in a twelve month period two or more cards are involved then he is guilty of a felony.

(3) Any person who, with intent to defraud the issuer, a person or organization providing money, goods, services or anything else of value, or any other person obtains control over a credit card as security for debt is guilty of a misdemeanor.

(4) Any person who, with intent to defraud an issuer or a purported issuer, a person or organization providing money, goods, services, or anything else of value, or any other person, falsely makes or falsely embosses a purported credit card or utters such a card is guilty of a felony.

A person "falsely makes" a credit card when he makes or draws, in whole or in part, a device or instrument which purports to be the credit card of a named issuer but which is not such a credit card because the issuer did not authorize the making or drawing, or alters a credit card which was validly issued. A person "falsely embosses" a credit card when, without the authorization of the named issuer, he completes a credit card by adding any of the matter, other than the signature of the cardholder, which an issuer requires to appear on the credit card before it can be used by a cardholder.

(5) Any person other than the cardholder or a person authorized by him who, with intent to defraud the issuer, a person or organization providing money, goods, services or anything else of value, or any other person, signs a credit card is guilty of a misdemeanor.

Section 3. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

Any person who, with intent to defraud the issuer, a person or organization providing money, services, goods or anything else of value, or any other person, uses for the purpose of obtaining money, goods, services or anything else of value a credit card obtained or retained in violation of Section 1 of this Act; or a credit card which he knows is forged, expired or revoked; or obtains money, goods, services or anything else of value by representing without the consent of the cardholder that he is the holder of a specified card; or by representing that he is the holder of a card and such card has not in fact been issued, violates this section, and if the value of all money, goods, services and other things of value obtained in violation of this section does not exceed $300 in any six month period is guilty of a misdemeanor; if the value does exceed $300 in any six month period then he is guilty of a felony.

Knowledge of revocation shall be presumed to have been

received by a cardholder four days after it has been mailed to him at the address set forth on the credit card or at his last known address by registered or certified mail, return receipt requested.

Section 4. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

Any person who is authorized by an issuer to furnish money, goods, services or anything else of value upon presentation of a credit card by the cardholder, or any agent or employee of such person, who, with intent to defraud the issuer or the cardholder, furnishes money, goods, services or anything else of value upon presentation of a credit card obtained or retained in violation of Section 1 of this Act; or a credit card which he knows is forged, expired or revoked violates this section and if the value of all money, goods, services and other things of value furnished in violation of this section does not exceed $300 in any six month period is guilty of a misdemeanor; but if such value does exceed $300 in any six month period, he is guilty of a felony.

(2) Any person who is authorized by an issuer to furnish money, goods, services, or anything else of value upon presentation of a credit card by the cardholder, or any agent or employe of such person, who, with intent to defraud the issuer or the cardholder, fails to furnish money, goods, services or anything else of value which he represents in writing to the issuer that he has furnished violates this section and if the difference between the value of all money, goods, services and anything else of value actually furnished and the value represented to the issuer to have been furnished does not exceed $300 in any six month period is guilty of a misdemeanor; but if such difference does exceed a value of $300 he is guilty of a felony.

(3) Any who receives money, goods, services or anything else of value obtained in violation of this Act, knowing or believing that it was so obtained is guilty of a misdemeanor.

Section 5. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

Any person other than the cardholder possessing two or more incomplete credit cards, with intent to complete them without the consent of the issuer or a person possessing, with knowl-

edge of its character, machinery, plates or any other contrivance designed to reproduce instruments purporting to be the credit cards of an issuer who has not consented to the preparation of such credit cards is guilty of a felony. A credit card is "incomplete" if part of the matter other than the signature of the cardholder, which an issuer requires to appear on the credit card before it can be used by a cardholder, has not yet been stamped, embossed, imprinted or written on it.

Section 6. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

In any prosecution for violation of this Act, the state is not required to establish and it is no defense that a person other than the defendant who violated this Act has not been convicted, apprehended or identified; or that some of the acts constituting the crime did not occur in the state or were not a crime or elements of a crime where they did occur.

Section 7. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person found guilty of a misdemeanor under this Act shall be fined not more than $1,000 or imprisoned not more than one year or both.

(2) Any person found guilty of a felony under this Act shall be fined not more than $5,000 or imprisoned not more than five years or both.

(3) A second conviction of a misdemeanor under this Act shall be treated as a felony.

Section 8. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

This Act shall not be construed to preclude the applicability of any other provision of the criminal law of this Commonwealth which presently applies or may in the future apply to any transaction which violates this Act, unless such provision is inconsistent with the terms of this Act.

Committee Substitute, HB 118, AN ACT relating to the illegal use of credit cards.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context requires otherwise:

(1) "Cardholder" means the person or organization named on the face of a credit card to whom or for whose benefit the credit card is issued by an issuer;

(2) "Credit card" means any instrument, device or credit number, whether known as a credit card, credit plate, telephone credit number, or by any other name, which is issued with or without fee by an issuer for the use of the cardholder in obtaining money, goods, services, telephone service, or anything else of value on credit;

(3) "Expired credit card" means a credit card which is no longer valid because the term shown on it has elapsed;

(4) "Issuer" means the business organization or financial institution which issues a credit card or its duly authorized agent;

(5) "Receives" or "receiving" means acquiring possession or control or accepting as security for a loan.

(6) "Revoked credit card" means a credit card which is no longer valid because permission to use it has been suspended or terminated by the issuer.

Section 2. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person who takes or obtains a credit card from the person, possession, custody or control of another without the cardholder's consent is guilty of a felony to be known as credit card larceny. Taking a credit card without consent includes but is not limited to obtaining it by conduct defined or known as statutory larceny, common law larceny by trespassory taking, common law larceny by trick, embezzlement, or obtaining property by false pretense, false promise or extortion.

(2) Any person who knowingly receives a credit card obtained by credit card larceny or violation of KRS 434.090 or

that is lost, mislaid, or delivered under a mistake as to the identity or address of the cardholder and who retains possession with intent to sell or transfer it to a person other than the issuer or cardholder; or buys, sells, or transfers such a card is guilty of a misdemeanor; but if in a twelve month period two or more cards are involved then he is guilty of a felony.

(3) Any person who, with intent to defraud the issuer, a person or organization providing money, goods, services or anything else of value, or any other person obtains control over a credit card as security for debt is guilty of a misdemeanor.

(4) Any person who, with intent to defraud an issuer or a purported issuer, a person or organization providing money, goods, services, or anything else of value, or any other person, falsely makes or falsely embosses a purported credit card or utters such a card is guilty of a felony.

A person "falsely makes" a credit card when he makes or draws, in whole or in part, a device or instrument which purports to be the credit card of a named issuer but which is not such a credit card because the issuer did not authorize the making or drawing, or alters a credit card which was validly issued. A person "falsely embosses" a credit card when, without the authorization of the named issuer, he completes a credit card by adding any of the matter, other than the signature of the cardholder, which an issuer requires to appear on the credit card before it can be used by a cardholder.

A person other than the purported issuer who possesses two or more credit cards which are falsely made or falsely embossed is presumed to have violated the foregoing provisions.

(5) Any person other than the cardholder or a person authorized by him who, with intent to defraud the issuer, a person or organization providing money, goods, services or anything else of value, or any other person, signs a credit card is guilty of a misdemeanor.

A person who possesses two or more credit cards which are so signed is presumed to have violated this subsection.

(6) A person who makes or causes to be made, either directly or indirectly, any false statement in writing, knowing

it to be false and with intent that it be relied on, respecting his identity or that of any other person, firm or corporation, or his financial condition or that of any other person, firm or corporation, for the purpose of procuring the issuance of a credit card is guilty of a misdemeanor.

(7) A person who receives a credit card that he knows to have been lost, mislaid, stolen, or delivered under a mistake as to the identity or address of the cardholder, and who retains possession with intent to use it or to sell it or to transfer it to a person other than the issuer or the cardholder is guilty of a misdemeanor.

(8) A person other than the issuer who sells a credit card or a person who buys a credit card from a person other than the issuer is guilty of a misdemeanor.

(9) A person who has in his possession or under his control credit cards issued in the names of two or more other persons without their consent is presumed to have violated the foregoing provisions.

Section 3. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

Any person who, with intent to defraud the issuer, a person or organization providing money, services, goods or anything else of value, or any other person, uses for the purpose of obtaining money, goods, services or anything else of value a credit card obtained or retained in violation of Section 1 of this Act; or a credit card which he knows is forged, expired or revoked; or obtains money, goods, services or anything else of value by representing without the consent of the cardholder that he is the holder of a specified card; or by representing that he is the holder of a card and such card has not in fact been issued, violates this section, and if the value of all money, goods, services and other things of value obtained in violation of this section does not exceed $300 in any six months period is guilty of a misdemeanor; if the value does exceed $300 in any six month period then he is guilty of a felony.

Knowledge of revocation shall be presumed to have been received by a cardholder four days after it has been mailed to him at the address set forth on the credit card or at his last known

address by registered or certified mail, return receipt requested, if the address is more than five hundred miles from the place of mailing by air mail. If the address is located outside the United States, Pureto Rico, the Virgin Islands, the Canal Zone and Canada, notice shall be presumed to have been received ten days after mailing by registered or certified mail.

Section 4. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

Any person who is authorized by an issuer to furnish money, goods, services or anything else of value upon presentation of a credit card by the cardholder, or any agent or employee of such person, who, with intent to defraud the issuer or the cardholder, furnishes money, goods, services or anything else of value upon presentation of a credit card obtained or retained in violation of Section 1 of this Act; or a credit card which he knows is forged, expired or revoked violates this section and if the value of all money, goods, services and other things of value furnished in violation of this section does not exceed $300 in any six month period is guilty of a misdemeanor; but if such value does exceed $300 in any six month period, he is guilty of a felony.

(2) Any person who is authorized by an issuer to furnish money, goods, services, or anything else of value upon presentation of a credit card by the cardholder, or any agent or employe of such person, who, with intent to defraud the issuer or the cardholder, fails to furnish money, goods, services or anything else of value which he represents in writing to the issuer that he has furnished violates this section and if the difference between the value of all money, goods, services and anything else of value actually furnished and the value represented to the issuer to have been furnished does not exceed $300 in any six month period is guilty of a misdemeanor; but if such difference does exceed a value of $300 he is guilty of a felony.

(3) Any who receives money, goods, services or anything else of value obtained in violation of this Act, knowing or believing that it was so obtained is guilty of a misdemeanor.

Section 5. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

Any person other than the cardholder possessing two or more

incomplete credit cards, with intent to complete them without the consent of the issuer or a person possessing, with knowledge of its character, machinery, plates or any other contrivance designed to reproduce instruments purporting to be the credit cards of an issuer who has not consented to the preparation of such credit cards is guilty of a felony. A credit card is "incomplete" if part of the matter other than the signature of the cardholder, which an issuer requires to appear on the credit card before it can be used by a cardholder, has not yet been stamped, embossed, imprinted or written on it.

Section 6. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

In any prosecution for violation of this Act, the state is not required to establish and it is no defense that a person other than the defendant who violated this Act has not been convicted, apprehended or identified; or that some of the acts constituting the crime did not occur in the state or were not a crime or elements of a crime where they did occur.

Section 7. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person found guilty of a misdemeanor under this Act shall be fined not more than $1,000 or imprisoned not more than one year or both.

(2) Any person found guilty of a felony under this Act shall be fined not more than $5,000 or imprisoned not more than five years or both.

(3) A second conviction of a misdemeanor under this Act shall be treated as a felony.

Section 8. A new section of Chapter 434 of the Kentucky Revised Statutes is created to read as follows:

This Act shall not be construed to preclude the applicability of any other provision of the criminal law of this Commonwealth which presently applies or may in the future apply to any transaction which violates this Act, unless such provision is inconsistent with the terms of this Act.

HB 217, AN ACT relating to operation of motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 186 of the Kentucky Revised Statutes is created to read as follows:

(1) Upon recommendation of the judge of the court in which a person was charged of an offense for which his operator's license was suspended or revoked, the Department of Public Safety may issue an occupational license.

(2) An occupational license may be issued only to a person who has demonstrated to the satisfaction of the department that operating a motor vehicle is an essential part of that person's livelihood.

(3) Occupational licenses shall be limited to enumerated hours, specifically described vehicles, places or purposes, and in any other manner which the department deems appropriate.

(4) In addition to the occupational license the department shall issue to the driver one or more certificates bearing the legend "Restricted Driver". No person using an occupational driver's license shall operate a motor vehicle which does not have a restricted driver certificate affixed to its windshield.

(5) Occupational licenses shall expire one year from issue, and shall not be renewable. In the event that the operator's license of a driver is suspended or revoked for a period exceeding one year, the holder of an occupational license may reapply to the department, upon the expiration of that license, for a new occupational license.

(6) Applicants for an occupational license shall pay to the circuit clerk a fee of fifty dollars. The clerk shall retain one dollar, and shall forward forty-nine dollars to the department. If the department refuses to issue an occupational license to the applicant, the department shall return forty dollars to the applicant.

(7) If the department refuses to issue an occupational license to any applicant, the applicant may appeal the decision of the department in the manner prescribed in KRS 186.560.

Section 2. A new section of Chapter 186 of the Kentucky Revised Statutes is created to read as follows:

If any holder of an occupational license violates any of the restrictions or conditions of his occupational license, the occupational license shall be revoked for a period of one year from the date of the violation.

Committee Substitute, HB 217, AN ACT relating to operation of motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 186 of the Kentucky Revised Statutes is created to read as follows:

(1) Upon recommendation of the judge of the court in which a person was charged of an offense for which his operator's license was suspended or revoked, the Department of Public Safety shall issue an occupational license.

(2) An occupational license may be issued only to a person who has demonstrated to the satisfaction of the court that operating a motor vehicle is an essential part of that person's livelihood.

(3) Occupational licenses shall be limited to enumerated hours, places or purposes, and in any other manner which the court deems appropriate.

(4) In addition to the occupational license the department shall issue to the driver one or more certificates no less than three inches in diameter bearing the legend "Restricted Driver". No person using an occupational driver's license shall operate a motor vehicle which does not have a restricted driver certificate affixed to its windshield.

(5) Occupational licenses shall expire one year from issue, and shall not be renewable. In the event that the operator's license of a driver is suspended or revoked for a period exceeding one year, the holder of an occupational license may reapply to the department, upon expiration of that license, for a new occupational license.

(6) Applicants for an occupational license shall pay to the

circuit clerk a fee of fifty dollars. The clerk shall retain one dollar, and shall forward forty-nine dollars to the department. The department may refuse for cause to issue an occupational license to the applicant, and the department shall return forty dollars to the applicant upon such refusal.

Section 2. A new section of Chapter 186 of the Kentucky Revised Statutes is created to read as follows:

If any holder of an occupational license violates any of the restrictions or conditions of his occupational license, the occupational license shall be revoked for a period of one year from the date of the violation.

HB 418, AN ACT relating to the Judicial Council and Judicial Conference.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 22.050 of the Kentucky Revised Statutes is amended to read as follows:

There is hereby created a Judicial Council composed of the Chief Justice or a Judge or Commissioner of the Court of Appeals designated by him; and four Circuit Judges, and a Circuit Court Clerk, all of whom shall be appointed by the Chief Justice of the Court of Appeals; three members of the State Bar Association to be appointed by the Governor; the Chairman of the Judiciary Committee of the House of Representatives, and the Chairman of the Judiciary Committee of the Senate; *if the Chairman of either Judiciary Committee declines to serve, the vice-chairman shall be a member of the council. The chairman shall be the Chief Justice, or if he is not a member or declines to serve as chairman, a member of the council shall be appointed by the Chief Justice to serve as chairman.* The appointed members shall serve for a term of four years and until their successors are appointed and qualify; provided, however, that the four Circuit Judges appointed for terms beginning July 1, 1958, shall be appointed for terms of one, two, three and four years respectively, and the three members of the State Bar Association appointed for terms beginning July 1, 1958, shall be appointed for terms of two, three

and four years respectively. Vacancies in office of appointed members shall be filled by the original appointing authority.

Section 2. Section 22.060 of the Kentucky Revised Statutes is amended to read as follows:

There is hereby created a Judicial Conference, which shall consist of the judges and commissioners of the Court of Appeals, and all circuit judges of the Commonwealth. The Chief Justice of the Court of Appeals, *or if he declines to serve as chairman, another member of the conference designated by him,* shall be its *chairman* [presiding officer].

HB 483, AN ACT relating to dower and curtesy.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 392.080 is hereby amended to read as follows:

When a husband or wife dies testate, the surviving spouse may, though under full age, release what is given to him or her by will, if any, and receive his or her share under KRS 392.020 as if no will had been made, except that in such case the share in any real estate of which the decedent or any one for the use of the decedent was seised of an estate in fee simple at the time of death shall be only an estate [for the surviving spouse's life] in one third of such real estate. Such relinquishment shall be made within [twelve] *six* months after the probate, and acknowledged before and left for record with the clerk of the court where probate was made, or acknowledged before a subscribing witness and proved before and left with the clerk. If, within those [twelve] *six* months, an appeal is taken from the judgment probating the will, the surviving spouse need not make such relinquishment until within the [twelve] *six* months succeeding the time when the appeal is disposed of.

(2) Subsection (1) does not preclude the surviving spouse from receiving his or her share under KRS 392.020, in addition to any bequest or devise to him or her by will, if such is the intention of the testator, plainly expressed in the will or necessarily inferable from the will.

The Committee on Judiciary reported **SB 34,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 34, AN ACT relating to Inheritance and Estate Taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 140.030 is amended to read:

(1) If it appears, either from the will of the decedent or from extrinsic evidence, that an obligation of a contractual nature exists in favor of any person payable at or after death of the decedent, the sum so payable shall be treated for the purposes of this chapter as a taxable transfer, unless it affirmatively appears by competent evidence that a consideration substantially equivalent in value to the amount due under the contract was paid or furnished by or for the other party thereto during the life of the decedent.

(2) The proceeds payable under any life insurance policy on the death of the assured (other than a United States Government Life Insurance policy or National Service Life Insurance policy issued by or through the Federal Government), payable to the assured or his estate, shall be taxable as a part of the legacy as a distributable share of the beneficiary. The proceeds of an insurance policy payable to a designated beneficiary, *including a testamentary trustee,* other than the assured or his estate, [or a trustee of a designated beneficiary other than the assured or his estate] shall be tax free. The proceeds payable under any United States Government Life Insurance policy or National Service Life Insurance policy issued by or through the Federal Government, whether payable to a designated beneficiary or to the assured or his estate, and any pension or annuity payments made or to be made to the widow of an employe of a railroad or other carrier under the Federal Railroad Retirement Act of 1935 as amended, shall be tax-free, and shall not be considered in determining the value of any taxable transfer.

The Committee Amendment to **SB 34** is as follows:

Amend printed copy of Senate Bill 34 on page 2, line 5, by:

Inserting after the word "testamentary" and before the word "trustee" the following words "or inter vivos"

The Committee on State Government reported **HB 239,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

The Committee Amendment to **HB 239** is as follows:

Amend printed copy of House Bill 239 on page 1, line 10, by: striking the word "revenue"

and on line 12, by striking the words "as provided in KRS 56.440 to 56.580"

and on page 2, line 2, by adding to the end thereof the words "in the performance of their duties"

and on line 5, by striking the words "KRS Chapter 58" and substituting therefor the words "the Kentucky Revised Statutes"

and on page 2, line 5, by adding the following sentence:

"Nothing in this section shall be construed as a grant of powers to said division in excess of powers heretofor granted the Department of Finance under existing statutes."

The Committee on State Government reported **HB 23,** with Committee Substitute attached thereto and Committee Amendment to the Committee Substitute for **HB 23,** with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

The Committee Amendment to the Committee Substitute for **HB 23** is as follows:

Amend printed copy of Committee Substitute House Bill 23 on page 4, line 3, by: deleting the words "any registered voter." and inserting in lieu thereof the words "any candidate for the office proposed to be declared vacant."

The Committee on State Government reported **SB 198, SB 132, SB 115, HB 465, HB 370, HB 353** with Committee Amendment attached thereto, and **HB 237** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 198, AN ACT relating to building and highway construction.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of Chapter 176 of the Kentucky Revised Statutes is enacted to read as follows:

Section 1. Where any percent of a contract price or a certain fixed sum shall have been retained pursuant to the provisions of KRS 176.090(1), the contractor may from time to time withdraw the whole or any portion of the amount retained for payments to the contractor pursuant to the terms of the contract upon deposit with a custodian designated by the Commissioner of the Department and approved by the Commissioner of Finance (1) United States Treasury Bonds, United States Treasury Notes, United States Certificates of Indebtedness, United States Treasury Bills, or (2) Bonds of the Commonwealth of Kentucky, or (3) Bonds in any political subdivisions, including school districts, of the Commonwealth of Kentucky. No amount shall be withdrawn in excess of the market value of the securities at the time of deposit or the par value of such securities, whichever is lower.

(a) The custodian shall on a regular basis collect all the interest or income on the obligations so deposited and shall pay the same when and as collected to the contractor who deposited the obligations. If the deposit is in the form of coupon bonds, the custodian shall deliver each coupon as it matures to the contractor.

(b) Any amount deducted by the Department, pursuant to the terms of the contract, from the retained payments otherwise due the contract, shall be deducted first from that portion of such retained payments for which no security has been substituted, then from the proceeds of any deposited security. In the latter case, the contractor shall be entitled to receive interest, coupons or income only from those securities which remain after such amount has been deducted.

(c) The securities so deposited shall be properly endorsed by the contractor in such manner so as to enable the custodian to carry out the provisions of this section.

SB 132, AN ACT providing for pre-session filing of bills and resolutions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 6 of the Kentucky Revised Statutes is created to read as follows:

(1) At the times specified in this section, members-elect of the General Assembly and Senators who have completed but one-half of their term are hereby authorized to pre-file bills and resolutions for introduction in the next succeeding regular legislative session with the Director of the Legislative Research Commission. Bills and resolutions which are prefiled under the provisions of this section shall be in such final and correct form for introduction in the General Assembly as required by the Constitution, laws and rules of the respective houses of the legislature. The original copy of every bill and resolution pre-filed shall include thereon, immediately below the typed or printed name of the sponsor thereof, the full signature of said sponsor.

(2) Bills and resolutions may be pre-filed at the following times:

(a) From the time that a member-elect has received his certificate of election until the next succeeding regular legislative session.

(b) For Senators who have completed but one-half of their term, from November 15 until the next succeeding regular legislative session.

(3) The Director of the Legislative Research Commission is authorized and directed to receive pre-filed bills and resolutions, to assign numbers for introduction in the proper house in order of receipt, to deliver copies to the printing contractor for pre-session printing, and to deliver the original and four copies of each bill and resolution to the Secretary of the Senate or the Chief Clerk of the House, as the case may be, on the first day of the regular session. Pre-filed bills and resolutions shall be considered as introduced on the day of their delivery to each house. No measure that is filed and printed pursuant to this section shall be distributed to members, members-elect or the public unless the

person filing the measure specifically authorizes in writing such distribution.

SB 115, AN ACT relating to state holidays.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 2.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The 1st day of January (New Year's Day), the 19th day of January (Robert E. Lee Day), the 30th day of January (Franklin D. Roosevelt Day), the 12th day of February (Lincoln's Birthday), the *third Monday in* [22nd day of] February (Washington's Birthday), the *last Monday in* [30th day of] May (Memorial Day), the 3rd day of June (Confederate Memorial Day, and Jefferson Davis Day), the 4th day of July (Independence Day), the first Monday in September (Labor Day), the *second Monday in* [12th day of] October (Columbus Day), the *fourth Monday in October* [11th day of November] (Veterans Day), the 25th day of December (Christmas Day) of each year, and all days appointed by the President of the United States or by the Governor as days of thanksgiving, are holidays, on which all the public offices of this Commonwealth may be closed; and, subject to the provisions of subsection (2) hereof, shall be considered as Sunday for all purposes regarding the presenting for payment or acceptance, and of protesting for and giving notice of the dishonor of bills of exchange, bank checks and promissory notes, placed by law upon the footing of bills of exchange. If any of the days named as holidays occur on Sunday, the next day thereafter shall be observed as a holiday but bills of exchange or other papers may be presented for payment or acceptance on the Saturday preceding the holiday and proceeded on accordingly.

(2) Any bank, trust company, or combined bank and trust company may, at its option, either close or remain open for business on the 19th day of January (Robert E. Lee Day), the 30th day of January (Franklin D. Roosevelt Day), the 12th day of February (Lincoln's Birthday), the *third Monday in* [22nd day of] February (Washington's Birthday), the 3rd day of June (Confederate Memorial Day, and Jefferson Davis Day), the *second Monday in* [12th day of] October (Columbus Day), and the

fourth Monday in October [11th day of November] (Veterans Day). Any bank, trust company, or combined bank and trust company electing to remain open on such of the above mentioned holidays may do so and as to such bank, trust company, or combined bank and trust company such day or days shall not constitute a holiday within the meaning of the provisions of the negotiable instrument law or any other law of the Commonwealth and such bank, trust company, or combined bank and trust company shall incur no liability by reason of remaining open on such holiday, provided that any bank, trust company, or any combined bank and trust company, electing to remain open on any of the above mentioned holidays which occurs on a Monday, Tuesday, Wednesday, Thursday or Friday shall remain closed the following Saturday, *or shall comply with KRS 287.197.* If any such bank, trust company, or combined bank and trust company elects to close on such holidays, any act authorized, required or permitted to be performed at or by such bank, trust company, or combined bank and trust company, may be performed on the next succeeding business day and no liability or loss of rights of any kind shall result from remaining closed notwithstanding the provisions of any law of this Commonwealth to the contrary. The provisions of this section shall not operate to invalidate or prohibit the doing on any of the aforementioned legal holidays of any act by any person or bank or trust company, or combined bank and trust company, and nothing in this section shall, in any manner whatsoever affect the validity of or render void or voidable the payment, certification or acceptance of a check or any other negotiable instrument or any other transaction by any person or bank or trust company or combined bank and trust company because done or performed during any of the aforesaid holidays, notwithstanding the provisions of any other law of this Commonwealth to the contrary.

(3) No person shall be compelled to labor on the first Monday in September (Labor Day) by any person.

Section 2. Section 287.197 of the Kentucky Revised Statutes is amended to read as follows:

Notwithstanding any law to the contrary, a bank, trust company or combined bank and trust company electing under KRS 287.195 to close on a day other than Saturday and electing to

remain open for business on the 19th day of January (Robert E. Lee Day), the 30th day of January (Franklin D. Roosevelt Day), the 12th day of February (Lincoln's Birthday), the *third Monday in* [22nd day of] February (Washington's Birthday), the 3rd day of June (Confederate Memorial Day, and Jefferson Davis Day), the *second Monday in* [12th day of] October (Columbus Day), and the *fourth Monday in October* [11th day of November] (Veterans Day) shall not be required to close on the following Saturday but instead shall close on its normal closing day.

Section 3. This Act becomes effective January 1, 1971.

HB 465, AN ACT relating to service credit in the Armed Forces for members of the Kentucky Employes Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 61.555 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member entering the armed forces of the United States after he first participates in the system, being on leave of absence from service and not withdrawing his accumulated contributions, shall be entitled to have credited as service his period of service in the armed forces of the United States, not to exceed six years, if his discharge therefrom is honorable and he is re-employed within two years after discharge, or upon the subsequent termination of any total disability which existed at the expiration of the two years after discharge.

(2) Any member of the system who, prior to the date he first participated in the system, terminated his employment in order to enter the armed forces of the United States and who was or is re-employed within two years after his honorable discharge therefrom, or upon the subsequent termination of any total disability which existed at the expiration of the two years after discharge, shall be entitled to have credited as service his period of service in the armed forces, not to exceed six years.

(3) Any National Guard technician involuntarily serving on active military duty during the period between January 26, 1968, and January 1, 1970, who completes his eight years service

while on military duty during this period, shall have that portion of his service, necessary to the completion of eight years current service, credited to his account, without having to meet the re-employment criteria.

HB 370, AN ACT relating to water pollution control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 224.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) For the purpose of carrying out the provisions of KRS 224.010 to 224.060, 224.080 and 224.100, there is hereby created in the Department of Health a Water Pollution Control Commission.

(2) The commission shall consist of the Commissioner of Health, the Commissioner of Natural Resources, the Attorney General, the Commissioner of the Department of Fish and Wildlife Resources, the Director of Reclamation, the Commissioner of Mines and Minerals, the Commissioner of Commerce, and three citizens of the Commonwealth, *and three members of the general public,* to be appointed for terms of four years each by the Governor. One citizen member shall be selected from groups representative of municipalities, one from groups representative of industrial management, and one from either groups representative of municipalities or groups representative of industrial management. *The three members of the general public shall be selected from that segment of the public which has no connection, direct or indirect, with any provider of water pollution control services, equipment or supplies or with any trade or industry which is directly regulated by the Kentucky Water Pollution Control Commission or with any person or establishment producing sewage or industrial waste or owning, operating or utilizing a sewer system, treatment works, disposal system or outlet.* Vacancies shall be filled for the unexpired portion of any term in the same manner as an original appointment. Each of the officers of the Commonwealth hereby made a member of the commission may, by written order filed with the secretary of the commission, designate a deputy or other representative in his department to serve in his stead and to perform his duties as a member of the com-

mission in his absence. Such designation shall be deemed temporary only and shall not affect the merit system or retirement rights of any person so designated.

(3) No salary or other compensation shall be allowed any member of the commission but each member may be reimbursed for actual and necessary expenses incurred in the performance of his official duties.

(4) The commission shall select one of its members as chairman and another member as vice-chairman at its first regular meeting in each calendar year. The Commissioner of Health shall be the secretary of the commission, and may employ an executive director and such technical and other personnel as may be required in order to carry out the provisions of KRS 224.010 to 224.060, 224.080 and 224.100 and the policies of the commission, and may define their powers and duties and fix their compensation. During the interim between meetings, the Commissioner of Health may perform in the name of the commission such functions and duties and may exercise such authority of the commission as the commission may delegate to him, or he may delegate such functions, duties, and authority to the executive director.

(5) The commission may employ, compensate and prescribe the powers and duties of such officers, employes, and consultants, in accordance with the laws of this Commonwealth, as may be necessary to carry out the provisions of KRS 224.030, 224.050, 224.070 to 224.090, 224.110 and 224.120 subject to the approval of the Governor as required in KRS Ch. 12.

(6) The commission shall hold regular meetings at least once in every two months, the time and place of which shall be determined by the commission. Special meetings may be called by the chairman or by three members of the commission by delivery to the office of each member of the commission of a written notice thereof at least five days in advance of the date of any such meeting. Five members of the commission shall constitute a quorum at any meeting. The commission shall establish bylaws for the conduct of its meeting and shall keep an accurate record of all its proceedings.

HB 353, AN ACT to require safety glazing in hazardous locations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 17 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act:

(1) "Safety glazing material" means any glazing material, such as tempered glass, laminated glass, wire glass or rigid plastic, which meets the test requirements of ANSI Standard Z-97. 1-1966 and such further requirements as may be adopted by the Department of Public Safety and which are so constructed, treated, or combined with other materials as to minimize the likelihood of cutting and piercing injuries resulting from human contact with the glazing material.

(2) "Hazardous locations" means those installations, glazed or to be glazed, in residential, commercial and public buildings known as sliding glass doors, framed or unframed glass doors and adjacent fixed glazed panels which may be mistaken for means of ingress or egress, storm doors, shower doors, and tub enclosures, whether or not the glazing in such doors, panels or enclosures is transparent, and in any other area wherein the use of other than safety glazing materials would constitute a hazard.

Section 2. A new section of Chapter 17 of the Kentucky Revised Statutes is created to read as follows:

(1) Each light of safety glazing material manufactured, distributed, imported, or sold for use in hazardous locations or installed in such a location within the Commonwealth of Kentucky shall be permanently labeled by such means as etching, sandblasting or firing ceramic material on the safety glazing material. The label shall identify the labeler, whether manufacturer, fabricator or installer, and the nominal thickness and the type of safety glazing material and the fact that said material meets the test requirements of ANSI Standard Z-97. 1-1966 and such further requirements as may be adopted by the Department of Public Safety. The label must be legible and visible after installation.

(2) Such safety glazing labeling shall not be used on other than safety glazing materials.

Section 3. A new section of Chapter 17 of the Kentucky Revised Statutes is created to read as follows:

It shall be unlawful within the Commonwealth of Kentucky to knowingly sell, fabricate, assemble, glaze, install, consent or cause to be installed glazing materials other than safety glazing materials in, or for use in, any hazardous location.

Section 4. A new section of Chapter 17 of the Kentucky Revised Statutes is created to read as follows:

No liability under this Act shall be created as to workmen who are employees of a contractor, subcontractor, or other employer responsible for compliance with this Act.

Section 5. A new section of Chapter 17 of the Kentucky Revised Statutes is created to read as follows:

Any person who violates the provisions of this Act shall be fined not less than $500 nor more than $10,000, or be imprisoned for not more than one year, or both.

The Committee Amendment to **HB 353** is as follows:

Amend printed copy of House Bill 353 on page 3, line 11, by: deleting "$500" and inserting "$50" and by deleting "$10,000" and inserting "$500"

and on page 3, line 12, by adding the following new section:

"Section 6. Recognizing that suppliers now have glass in stock which does not comply with the provisions of this Act, this Act shall become effective on January 1, 1971."

HB 237, AN ACT relating to the reimbursement of state officers and employes for expenses incurred in the discharge of their official duties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 45.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as otherwise provided by law, each state officer

or employe who is authorized by law to receive, from corporations or from the State Treasury or any fund appropriated out of the State Treasury, his traveling or other expenses incident to the discharge of his official duties, shall submit to the Department of Finance an itemized statement of such expenses, accompanied by a receipt for each item of expense in excess of two dollars, before the department shall audit or pay such expenses. The Department of Finance may rely on a preaudit performed by the budget unit as a basis for issuing a warrant.

(2) The Department of Finance may issue rules and regulations to permit state agencies and institutions to contract with airlines, railroads, hotels or other companies for services to a group of their employes while on official travel status. Such expenses are to be submitted to the Department of Finance on forms prescribed by the Department of Finance before the department shall audit or pay such expenses.

(3) The Department of Finance may issue rules and regulations to permit state officers or employes to assign their claim for reimbursement of travel expenses to airline, railroad, hotel, or other companies in payment of services rendered as provided for in subsection (2) of this section and as shown on the itemized statement and receipts as provided for in subsection (1) of this section, which statement and receipts shall indicate that such company has extended credit to said officer or employe in the name of the state and incident to the discharge of his official duties.

(4) Each state officer or employe who by reason of the duties assigned to his office, is required to be at the state capital for the majority of the time, or who has an office located at the state capital, shall not be permitted to charge for expenses except from the state capital to the place where the business he is transacting is to be transacted, and from that place back to the state capital, and each officer or employe who is assigned to duty at some place other than the state capital shall only be permitted to charge to the state such expenses as are incurred in going from that place to the place where the business is transacted, and returning. Expenses in going from the state capital or the place where the officer or employe is assigned to duty to the officer's or employe's real place of residence, or in return therefrom, shall

not be allowed unless it is shown that it was necessary for him to make the trip in the discharge of business for the state.

(5) The Department of Finance may issue rules and regulations to permit the payment of travel and other expenses incidental to the official activities of formally organized groups sponsored by or otherwise representing state agencies. The payment may be made direct to service establishments in the manner set forth in subsection (3) of this section, by an inter-account bill between budget units, or by reimbursement to the official or other employe who has been designated as the officer-in-charge of the organized group. If it is necessary that one or more state employes or officials travel with the group, their expenses may be included in the total expenses for the group.

(6) The Department of Finance may issue rules and regulations allowing heads of budget units to establish imprest cash funds for reimbursement of travel expenses.

(7) In lieu of the reimbursement of travel and other incidental expenses authorized by subsection (1) of this section, and except as may otherwise be provided by law, the Department of Finance may issue rules and regulations to permit the payment out of the State Treasury or out of any fund appropriated out of the State Treasury, of a fixed expense allowance not to exceed $25.00 per day, plus necessary travel expenses, to each state officer or employe who is authorized by law to be reimbursed for expenses incurred in the discharge of his official duties while in official travel status outside the geographic limits of the Commonwealth.

The Committee on Counties and Special Districts reported **HB 444, HB 260** and **HB 220** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 444, AN ACT relating to public roads.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 178.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person may build a sidewalk, composed of gravel, concrete or other suitable material, along the side of any public road in this state. The sidewalk shall not exceed sixty inches in width and the construction and repair and the use of the sidewalk shall be without expense of any kind to any other person who may want to use it. All persons who desire shall be permitted to use the sidewalk, and it shall be so constructed as not to interfere with the traveling public on any public road. The fiscal court of any county may build and repair sidewalks along public roads where the need exists for the safety of school children. Before the beginning of construction of the sidewalk, written approval must be obtained from the governmental agency having jurisdiction over the public road.

(2) The fiscal court may, where needed, build and maintain suitable areas for the safe turning around of school busses.

HB 260, AN ACT relating to compensation of county officers and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (5) of Section 64.530 of the Kentucky Revised Statutes is amended to read as follows:

(5) In the case of county officers elected by popular vote, the annual compensation of the officer and of his deputies and assistants shall be fixed by the fiscal court not later than the first Monday in May in the year in which the officers are elected, and *the compensation of the officer* shall not be changed during the term *but the compensation of his deputies or assistants may be reviewed and adjusted by the fiscal court not later than the first Monday of May of any successive year upon the written request of the officer.* On or before August 1, 1966, the fiscal court shall fix the salary provided herein for the county attorneys for the term commencing in January, 1966, notwithstanding any other provisions of this section which may be inconsistent herewith.

HB 220, AN ACT relating to county police force merit boards.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 78.410 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county judge, subject to the approval of the fiscal court of the county, shall appoint four persons, who shall constitute the county police force merit board of such county, who shall serve without compensation, and the county judge shall be a member ex officio of the said board, but shall only vote in case of a tie vote on any matter before the board for determination. Each board appointee shall be at least thirty years of age, a resident of the county affected, and not related by either blood or marriage to either the county judge or any member of the fiscal court of the said county. The first members of any said board shall be appointed within the thirty day period following the effective date of an order duly made and entered by a fiscal court creating a county police force merit system and merit board, and one member of the board shall be appointed for a term of one year, one for a term of two years, one for a term of three years, and one for a term of four years. Thereafter, all appointments shall be for four years except that appointments to fill vacancies within the respective terms shall be made only for the unexpired period of the respective terms. Any board member may be removed by resolution of the fiscal court of the county for neglect, incapacity, misfeasance or malfeasance on the part of said board members. No appointed board member shall hold any other public office elective or appointive during his term as a member of the board, and shall not receive any money, gift or consideration of any type from any person directly or indirectly for or on account of any recommendation, proposal or suggestion bearing upon the business of the board or the county police force. Not more than two members shall be adherents of the same political party.

(2) Each appointee, before entering upon the discharge of his duties, shall qualify by subscribing, taking and filing an oath of office as required by law.

(3) In counties containing a city of the first class the members of the county police department shall, on an annual basis, elect two patrolmen of the county police department with a minimum of five years service or more who shall serve as members of the county police force merit board for the purpose of deciding discipline cases only.

Section 2. Section 78.415 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board shall meet at least once each calendar month and minutes of the business of each meeting shall be kept.

(2) The board shall employ a secretary who shall also conduct all examinations, prepare eligible lists and keep all records and minutes of the board's business and perform such other duties in connection with the business of the board as may be required by the board. The secretary may be employed on either a part-time or full-time basis and said secretary shall receive such compensation as may be recommended by the board and approved by the fiscal court. All orders and minutes of the board shall be signed by the chairman thereof, who shall be elected by the board members and the minutes shall be countersigned by the secretary.

(3) All records and minutes of the board shall be considered public records.

Section 3. Section 78.420 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon appointment and qualification of the members of the board, they shall meet within the thirty days following the creation of the board and elect their chairman and vice-chairman and adopt such rules and regulations and bylaws as they see fit for the proper conduct of their offices. In all matters requiring a vote, a majority of the board members present and voting shall determine any question, provided that at least three board members be present to constitute a quorum.

(2) In cases of discipline, four members of the board must be present to constitute a quorum, one of which must be a police officer as defined in KRS 78.410(3).

Section 4. Section 78.440 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every county police force merit system board created hereunder shall make, promulgate, and when necessary, amend rules for the qualifications, original appointment, promotion, demotion, transfer, layoff, reinstatement, suspension, fine and removal of the officers and employes covered by KRS 78.400 to

78.460. The board shall publish its rules and any amendments thereto by supplying a certified copy thereof to the county judge, the fiscal court and the chief, and by posting a copy thereof conspicuously in the office or place where the headquarters of the county police is maintained. Said rules and amendents thereto shall be published in the manner prescribed within three days after the adoption thereof.

(2) The rules in addition to other matters shall specifically provide for and cover the following:

(a) 1. Physical, mental, educational, citizenship and age requirements for new employes and officers.

2. Physical, mental, educational, citizenship and age requirements for new employes and officers and seniority requirements for promotion from lower to higher rank or classification.

3. In counties containing cities of the first class a man serving as a Grade A Patrolman must have three years of service as a Grade A Patrolman before he may be eligible for the promotion to the rank of Sergeant.

(b) 1. Open competitive written, oral and physical tests to determine the relative fitness of all candidates and examinations for original appointment and for promotion.

2. Public notices of examinations provided in (b) 1. and 2 (a).

(c) Temporary appointments in case of emergency.

(d) Organization and meetings of the board.

(e) Procedure and conduct of public hearings.

3. In counties containing cities of the first class the County Merit Board shall employ a Chief Examiner who shall be professionally qualified and experienced in the field of testing and who shall formulate, give, grade and administrate all written tests as required by the Board. Said Chief Examiner shall report to the Board the results of all tests given by him and he shall be solely responsible to the Board. The Chief Examiner shall select a panel of four members to conduct an oral examination of the applicants for promotion. The panel shall consist of two persons of a supervisory capacity from the same classified service as the applicant and two persons from an outside agency or agencies

in the same field. The Chief Examiner shall compile the grades of all applicants based upon the percentages as set out below and shall deliver, in a sealed envelope, the scores of all applicants for promotion to the Chairman of the Merit Board. The Chief Examiner shall not reveal to anyone the results of said tests other than in the manner set forth herein.

4. Physical fitness for promotion is presumed unless certified to the contrary by the Chief of Police who shall supply the Board with medical records of the disability.

5. At least ninety days notice shall be given before the promotional examination is conducted.

6. The grading of promotional tests shall be as follows: Sixty percent for written examination; five percent for oral examination; twenty percent for seniority; and fifteen percent for efficiency.

Section 5. Section 78.445 of the Kentucky Revised Statutes is amended to read as follows:

(1) In counties other than counties containing cities of the first class [A]any officer or employe may be removed, suspended, laid off, reduced in grade, or fined by the chief for any cause which will promote the efficiency of the service, but before any such action is taken by the chief against any officer or employe, the chief shall furnish the officer or employe concerned with a written statement of the reasons why the described action is taken. The officer or employe may be reduced, removed, suspended, laid off or fined from the date when such written statement of reasons is served upon him. Each officer or employe removed, suspended, laid off, reduced in grade, or fined, shall be allowed a period of ten days within which he may file written answer to the charges and reasons which caused his suspension, removal, reduction or fine, which shall be made a part of the official records of the police department. No trial or examination of witnesses shall be required in any such case except in the discretion of the chief. The chief shall likewise furnish a copy of the written charges and reasons for his action to the board.

(2) (a) In counties containing cities of the first class the Chief of Police may suspend an officer for whatever reason the Chief deems will promote the efficiency of the service; however, at the time of said suspension the Chief must present, in writing

to the suspended officer, a copy of the charges against him. The County Police Merit Board shall meet within a period of 30 days from the date that the officer is so charged and suspended and determine what appropriate penalty, if any, shall be given to said officer. An officer who does not desire a hearing before the County Police Merit Board shall file, with the Board, a letter so stating.

(b) In counties containing cities of the first class any citizen who makes written charges of misconduct, under oath, concerning the actions of any police officer hereunder shall present the charges to the Chief of Police, who shall investigate said charges. The Chief of Police shall determine what action, if any, shall be taken against the officer, subject to the limitations set out in this chapter.

Section 6. Section 78.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board shall also have the right to remove, reduce, suspend, layoff, fine or discipline any officer or employe covered by the provisions hereof on written charges of misconduct preferred on its own initiative [or the initiative of any citizen], but only after reasonable notice to the accused and after a complete public hearing at which the officer or employe accused shall have the right to be present and represented by counsel and confronted by all of the witnesses preferring the charges against him. Every such employe or officer shall be given the right within ten days after charges are initiated by the board [or a private citizen] and before the public hearing prescribed herein, to file written answer to the charges preferred against him.

(2) After full public hearing by the board, the board may retire in executive session to discuss the evidence introduced at the hearing and to make its determination and conclusion. In no case shall the board in executive session receive any further evidence or communication from any source whatsoever prior to reaching its determination and conclusion.

(3) Before the Board shall remove, reduce, suspend, lay off, fine or discipline any officer or employee covered by the provisions hereof, the charges against said officer must be presented to the officer in writing and shall be specific as to the nature of

the charge or charges, giving specific, detailed information so as to allow said officer to be able to properly defend himself.

Section 7. Section 78.455 of the Kentucky Revised Statutes is amended to read as follows:

In all cases provided for in KRS 78.445 and 78.450, the action of the chief or of the board shall be final except in the following cases:

(1) *In counties other than counties containing cities of the first class* [E]every action in the nature of a dismissal, suspension, reduction or fine made by the chief, shall be subject to review by the board at the request of any officer or employe affected by KRS 78.400 to 78.460, and in any case where the board, after investigation, is of the opinion that the disciplinary action taken by the chief was brought about or influenced by reason of political activity or religious belief, or any improper or unjustified prejudice, then the board shall give notice and hold a public hearing with respect thereto, and in any case where, after such public hearing, a majority of the members of the board are of the opinion that the action of the chief is unjustified or unsupported by proper evidence, then the order of the chief may be set aside and revoked by the board and the board may impose such penalty or punishment as it may deem necessary and appropriate. The board may, after investigation, increase any disciplinary action taken by the chief where such additional action is justified in the opinion of a majority of the members of the board.

(2) (a) *In all counties, including counties containing cities of the first class,* [E]every action in the nature of a dismissal, suspension, reduction or fine made by the board shall be final, except that any person aggrieved thereby may, within twenty days after the rendition of such action, appeal to the circuit court of the county in which the board meets. The board shall be named respondent as the County Police Force Merit Board, and service shall be had on the chairman thereof. The appeal taken to the circuit court shall be docketed by the clerk thereof as a civil action and shall be tried anew, as if no action had been rendered by the board.

(b) The judgment of the circuit court shall be subject to appeal to the Court of Appeals. The procedure as to appeal to the Court of Appeals shall be the same as in civil action.

Section 8. Section 78.460 of the Kentucky Revised Statutes is amended to read as follows:

Procedural due process shall be afforded to all police officers by the Board. The Board shall afford any officer, promptly and in writing, of any charges brought against said officer by the Board. The officer shall be given a prompt hearing by the Board, shall have an opportunity to confront his accusers and the privilege of presenting the Board with evidence. The Board shall have the power to issue subpoenas attested in the name of its chairman, to compel the attendance of witnesses, and so far as practicable, conduct said hearing within the Kentucky Rules of Civil Procedure. Any officer who is not given a hearing within thirty days of any charge so placed shall be reinstated in full. [The board shall have the power to issue subpoenas attested in the name of its chairman, to compel the attendance of witnesses upon any proceedings authorized by KRS 78.400 to 78.460 or by the rules or regulations promulgated by the board.]

The Committee on Appropriations and Revenue reported **HB 145**, with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 145, AN ACT relating to exemption of electronic equipment from local ad valorem taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 132.200 of the Kentucky Revised Statutes is amended to read as follows:

All property subject to taxation for state purposes shall also be subject to taxation in the county, city, school or other taxing district in which it has a taxable situs, except the classes of property described in KRS 132.030 and 132.050, and the following classes of property, which shall be subject to taxation for state purposes only:

(1) Farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operation;

(2) Livestock and domestic fowls;

(3) Capital stock of savings and loan associations;

(4) Machinery and products in course of manufacture, of individuals or corporations actually engaged in manufacturing, and their raw material actually on hand at their plant for the purpose of manufacture. Individuals or corporations actually engaged in the printing, publication and distribution of a newspaper or operating a job printing plant shall be deemed to be actually engaged in manufacturing. [;] *Commercial radio, television and telephonic equipment directly used or associated with electronic equipment which broadcast electronic signals to an antenna, however, radio or television towers not essential to the production of the wave or signal broadcast shall not be included;*

(5) Unmanufactured agricultural products (except that the same shall be exempt from taxation for state purposes to the extent of the value, or amount, of any unpaid nonrecourse loans thereon granted by the United States Government or any agency thereof), and except that cities and counties may each impose an ad valorem tax of not exceeding one and one-half cents on each one hundred dollars of the fair cash value of all unmanufactured tobacco and not exceeding four and one-half cents on each one hundred dollars of the fair cash value of all other unmanufactured agricultural products, subject to taxation within their limits that are not actually on hand at the plants of manufacturing concerns for the purpose of manufacture, nor in the hands of the producer or any agent of the producer to whom the products have been conveyed or assigned for the purpose of sale;

(6) Money in hand, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, and shares of stock, except that nothing in this section shall forbid local taxation of franchises of corporations or of the shares of banks, trust companies or combined banks and trust companies doing business in this state, or domestic life insurance companies.

The Committee Amendment to **HB 145** is as follows:

Amend printed copy of House Bill 145 on page 2, line 9, by: inserting the designation *"(5)"* before the word *"Commercial"*

and on line 14, by adding the designation "*(6)*" and placing the designation "(5)" within brackets "[ ]"

and on page 3, line 1, by adding the designation "*(7)*" and placing the designation "(6)" within brackets "[ ]"

The Committee on Counties and Special Districts reported **HB 319** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 319, AN ACT relating to commissioners of expanded water districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 74.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) A water district shall be administered by a board of commissioners which shall control and manage the affairs of the district. The term of each commissioner is four years, except as provided in this section:

(a) If a district lies wholly within a single county, or operates as a single county district as provided in paragraph (c) of this subsection, the board of commissioners shall consist of three residents of the district, or of any incorporated or unincorporated area served by the district in the county in which the district was originally established, who shall be appointed by the county judge. Initial appointments shall be for terms of two, three and four years, as designated by the court. Commissioners serving under appointments June 16, 1966 shall continue to serve until the end of their respective terms.

(b) Except as provided in paragraph (c) of this subsection, if a district formed in a single county extends its area to include territory in an adjacent county as provided by KRS 74.115, the board of commissioners shall [consist of five residents of the district, three of whom shall] be appointed by the county *judges* [judge] of the *concerned counties as follows: in two county districts, three members from the original district and two members from the extended portion of the district; for extensions into three or more counties, the respective county judges shall appoint, in*

addition to the existing membership of the commission, two members from the original one county district and two members from the newly extended portion of the district. [county having the greater population within the boundaries of the district, and two of whom shall be appointed by the county judge of the remaining county. Initially upon the establishment of the extension of the district into the second county, the county judge of that county shall appoint only two commissioners, regardless of population requirements, but if the second county is determined to have the larger population within the district of the two counties, he shall have the authority to fill the next vacancy existing in the representation of the original county.] Orders establishing the extension shall provide for the staggering of initial terms in an equitable manner.

(c) If a single county district administered as provided in paragraph (a) hereof shall acquire an existing water or gas distribution system serving an area which extends beyond the boundaries of the district into another county, it may operate the distribution system so acquired, provided the area served outside the county shall be deemed to be a minor portion of the total area served by the district, and provided the fiscal court of the county containing such minor portion of the total area shall have agreed to the acquisition of the distribution system. If less than twenty-five percent of the total assets of the distribution system are located within the county outside of the boundaries of the district, it will be conclusively presumed that said district comes within the terms of this subsection.

(2) Vacancies shall be filled by the same appointing authority which is empowered to make the original appointment. Vacancies resulting from cause other than expiration of the term shall be filled for the unexpired term only.

(3) The commission shall elect a chairman, secretary and treasurer. Each commissioner shall execute a bond, approved by the county court, conditioned on the faithful performance of the duties of his position.

(4) Each commissioner shall receive an annual salary of not more than thirty-six hundred dollars, which shall be paid out of the water district fund. In the case of single-county districts, which shall be deemed to include districts described in subsection

(1) (c) of this section, the salary shall be fixed by the county court;in *multi* [two] -county districts it shall be fixed by agreement between the [two] county courts. In fixing the salary of the commissioners, the court shall take into consideration the financial condition of the district and its ability to meet its obligations as they mature.

The Committee on Appropriations and Revenue reported **HB 281, HB 317** with Committee Amendments attached thereto, **HB 478** and **HB 491** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 281, AN ACT relating to relocation assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new Section of Chapter 177 of the Kentucky Revised Statutes is created to read as follows:

When Federal funds are available for reimbursement for direct financial assistance to persons displaced by highway acquisition, the Department of Highways may match such Federal funds to the extent provided by Federal law and to provide such direct financial assistance in the instances and on the conditions set forth by Federal law and regulations.

Section 2. When Federal funds are not available for reimbursement for direct financial assistance to persons displaced by the acquisition of property by the Department of Highways, the department may, with the approval of the Governor, provide direct financial assistance to such persons. Financial assistance authorized by this section shall not exceed the total amount that would have been payable under Section 1 of this Act if Federal funds had been available. The department may adopt rules and regulations to carry out the provisions of this section.

Section 3. Nothing contained in this Act shall be construed as creating in any condemnation proceedings any element of damages not in existence on the effective date of this Act.

Section 4. Section 177.065 of the Kentucky Revised Statutes is hereby repealed.

Section 5. This Act shall become effective on July 1, 1970.

HB 317, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 131 of the Kentucky Revised Statutes is created to read as follows:

If any check tendered to the department in payment of any tax liability or license fee is not paid when presented to the drawee bank for payment, there shall be paid as a penalty by the taxpayer who tendered the check upon notice and demand of the department, an amount equal to ten percent of such check. If the amount of the check is less than one hundred dollars, the penalty shall be ten dollars.

If the taxpayer who tendered the check shows to the department's satisfaction that failure to pay the check resulted from error by parties other than the taxpayer the department may waive the penalty.

Section 2. Section 134.580 of the Kentucky Revised Statutes is amended to read as follows:

(1) When money has been paid into the State Treasury in payment of any state taxes, except ad valorem taxes, whether payment was made voluntarily or involuntarily, the Department of Revenue shall *authorize* refunds *or credits,* [or cause to be refunded] to the person who paid the tax, or to his heirs, personal representatives or assigns, *of* any overpayment of tax and any payment where no tax was due. When a bona fide controversy exists between the department and the taxpayer as to the liability of the taxpayer for the payment of tax claimed to be due by the department, the taxpayer may pay the amount claimed by the department to be due, and if an appeal is taken by the taxpayer from the ruling of the department within the time provided by KRS 131.*340* [110] and it is finally adjudged that the taxpayer was not liable for the payment of the tax or any part thereof, the department shall *authorize* [make] such refund *or credit* as the *Kentucky Board of Tax Appeals or* courts may direct.

(2) In the event refunds *or credits* result from *clerical* error of the department or its agents, but not otherwise, refunds *or credits* shall be *authorized* [paid] with interest at the rate of six percent per annum. The refunds authorized by this section shall be made in the same manner as other claims on the State Treasury are paid. They shall not be charged against any appropriation; but shall be deducted from tax receipts for the current fiscal year.

(3) Nothing in this section shall be construed to authorize the department to make or cause to be made any refund except within two years from the date the money was paid into the State Treasury. Notwithstanding the foregoing limitation, in any case where money has been paid into the State Treasury on or after January 1, 1966, the department may *authorize* [make or cause to be made] a refund *or credit* of such money within four years from the date the money was paid into the State Treasury. Nothing in this section shall be construed as requiring the department to *authorize* [make or cause to be made] any refund *or credit* to a taxpayer without demand from the taxpayer, if in the opinion of the department the cost to the state of *authorizing* [making] the refund *or credit* would be greater than the amount that should be refunded *or credited.*

(4) The terms "overpayment" and "payment where no tax was due" as used in this section shall be construed as referring to tax liability under the terms of the applicable statute without reference to the constitutionality of the statute. It is not intended that this section shall apply to any case wherein the statute may be held unconstitutional, either in whole or in part.

(5) In cases in which a statute has been held unconstitutional, taxes paid thereunder may be refunded to the extent provided by KRS 134.590, and by the statute held unconstitutional.

Section 3. Section 141.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Commissioner" means the Commissioner of Revenue;

(2) "Department" means the Department of Revenue;

(3) "Internal Revenue Code" means the Internal Revenue Code in effect on *January 1, 1970* [December 31, 1965], *including all appropriate provisions of the Tax Reform Act of 1969 at the dates specified in that law,* exclusive of any amendments made subsequent to that date;

(4) "Dependent" means those persons defined as dependents under Section 152 of the Internal Revenue Code;

(5) "Fiduciary" means "fiduciary" as defined in Section 7701 (a) (6) of the Internal Revenue Code;

(6) "Fiscal year" means "fiscal year" as defined in Section 7701 (a) (24) of the Internal Revenue Code;

(7) "Individual" means a natural person;

(8) For taxable years beginning on or after January 1, 1968, "federal income tax" means the lesser of the two amounts computed under (a) and (b) of this subsection, minus any federal tax credits actually utilized by the taxpayer:

(a) The amount of federal income tax actually paid or accrued for the taxable year on taxable income as defined in Section 63 of the Internal Revenue Code, and taxed under the provisions of this chapter;

(b) The amount of federal income tax which would result from the application of the income tax rates contained in the Internal Revenue Code in effect December 31, 1967 to the taxpayer's federal taxable income for the taxable year as defined in Section 63 of the Internal Revenue Code in effect during such taxable year and taxed under the provisions of this chapter;

(9) "Gross income" in the case of taxpayers other than corporations means "gross income" as defined in Section 61 of the Internal Revenue Code and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude dividend income received from stock of banks and trust companies organized under the laws of this state;

(c) Exclude undistributed income attributed to shareholders of a corporation which has elected to be taxed under Subchapter S of Chapter 1 of the Internal Revenue Code;

(d) Exclude income from supplemental annuities provided by the Railroad Retirement Act of 1937 as amended and which are subject to Federal income tax by Public Law 89-699;

(e) [(d)] Include interest income derived from obligations of sister states and political subdivisions thereof;

(f) [(e)] Include the amount of dividends excluded by Section 116 of the Internal Revenue Code;

(10) "Adjusted gross income" in the case of taxpayers other than corporations means gross income as defined in subsection (9) of this section minus the deductions allowed individuals by Section 62 of the Internal Revenue Code and adjusted as follows, except that deductions shall be limited to amounts allocable to income subject to taxation under the provisions of this chapter, and except that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Include all overpayments of federal income tax refunded or credited to the taxpayer during the taxable year;

(b) Deduct federal income tax;

(11) "Net income" in the case of taxpayers other than corporations means adjusted gross income as defined in subsection (10) of this section minus the standard deduction allowed by KRS 141.081, or, at the option of the taxpayer, minus all the deductions allowed individuals by Chapter 1 of the Internal Revenue Code except those listed below, except that deductions shall be limited to amounts allocable to income subject to taxation under the provisions of this chapter and that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) The net operating loss deduction allowed under Section 172 of the Internal Revenue Code;

(b) Any deduction allowed by the Internal Revenue Code for state taxes measured by gross or net income;

(c) Any deduction allowed by the Internal Revenue Code for amounts allowable under KRS 140.090 (h) in calculating the value of the distributive shares of the estate of a decedent, unless there is filed with the income return a statement that such deduction has not been claimed under KRS 140.090 (h);

(d) The deduction for personal exemptions allowed under Section 151 of the Internal Revenue Code and any other deductions in lieu thereof;

(12) "Gross income," in the case of corporations, means "gross income" as defined in Section 61 of the Internal Revenue Code and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude *all* dividend income received *after December 31, 1969* [from stocks of banks and trust companies organized under the laws of this state];

(c) Include all overpayments of federal income tax refunded or credited to the taxpayer during the taxable year, other than such refunds or credits attributable to losses incurred prior to January 1, 1967;

(d) Include interest income derived from obligations of sister states and political subdivisions thereof;

(e) Exclude fifty percent of gross income derived from any disposal of coal covered by Section 631 (c) of the Internal Revenue Code if the corporation does not claim any deduction for percentage depletion, or for expenditures attributable to the making and administering of the contract under which such disposition occurs or to the preservation of the economic interests retained under such contract;

(f) Include in the gross income of lessors income tax payments made by lessees to lessors under the provisions of Section 110 of the Internal Revenue Code, and exclude such payments from the gross income of lessees;

(g) Include the amount calculated under KRS 141.205 [(5)];

(h) Ignore the provisions of Section 281 of the Internal Revenue Code in computing gross income;

(13) "Net income," in the case of corporations, means "gross income" as defined in subsection (12) of this section minus all the deductions from gross income allowed corporations by Chapter 1 of the Internal Revenue Code, except the following:

(a) Any deduction for a state tax which is computed, in whole or in part, by reference to gross or net income;

(b) The deductions contained in Sections 172, 176, 242, 243, 244, 245 and 247 of the Internal Revenue Code;

(c) The provisions of Section 281 of the Internal Revenue Code shall be ignored in computing net income;

(14) (a) "Taxable net income," in the case of corporations having income taxable only in this state, means "net income" as defined in subsection (13) of this section minus federal income tax as defined in subsection (8) of this section, and

(b) "Taxable net income," in the case of corporations having income taxable both within and without this state means "net income" as defined in subsection (13) of this section and as allocated and apportioned under KRS 141.120, minus federal income tax as defined in subsection (8) of this section;

(15) "Person" means "person" as defined in Section 7701 (a) (1) of the Internal Revenue Code;

(16) "Taxable year" means the calendar year or fiscal year ending during such calendar year, upon the basis of which net income is computed and in the case of a return made for a fractional part of a year under the provisions of this chapter or under regulations prescribed by the commissioner, "taxable year" means the period for which such return is made;

(17) "Resident" means *an* [any] individual domiciled within this state [;] *or an individual who is not domiciled in this state, but maintains a place of abode in this state and spends in the aggregate more than 183 days of the taxable year in this state;*

(18) "Nonresident" means any individual not a resident of this state;

(19) "Employer" means "employer" as defined in Section 3401 (d) of the Internal Revenue Code:

(20) "Employe" means "employe" as defined in Section 3401 (c) of the Internal Revenue Code;

(21) "Number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under KRS 141.325, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero;

(22) "Wages" means "wages" as defined in Section 3401 (a) of the Internal Revenue Code;

(23) "Payroll period" means "payroll period" as defined in Section 3401 (b) of the Internal Revenue Code;

(24) "Corporations" means "corporations" as defined in Section 7701 (a) (3) of the Internal Revenue Code.

Section 4. Section 141.012 of the Kentucky Revised Statutes is amended to read as follows:

Notwithstanding the provisions of KRS 141.010 (13) (b), any corporation engaging in business for the first time in this state and employing within this state a minimum *permanent* investment of $100,000 *in real property owned or leased,* which incurs a net operating loss during its first year of operations, may carry the loss forward to the next succeeding taxable year and deduct it from the net income for that year as determined under the provisions of this chapter.

Section 5. Section 141.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) An annual tax shall be paid for each taxable year by every resident individual of this state upon his entire net income as defined in this chapter. The tax shall be determined by applying the rates in subsection (2) to net income and subtracting allowable tax credits provided in subsection (3).

(2) The following rates shall be applied to net income:

(a) Two percent of the amount of net income not exceeding three thousand dollars;

(b) Three percent of the amount of net income in excess of three thousand dollars but not in excess of four thousand dollars;

(c) Four percent of the amount of net income in excess

of four thousand dollars but not in excess of five thousand dollars;

(d) Five percent of the amount of net income in excess of five thousand dollars but not in excess of eight thousand dollars;

(e) Six percent of the amount of net income in excess of eight thousand dollars;

(3) The following tax credits, when applicable, shall be deducted from the result obtained under subsection (2) to arrive at the annual tax:

(a) Twenty dollars for an unmarried individual;

(b) Twenty dollars for a married individual filing a separate return and an additional twenty dollars for the spouse of taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no *Kentucky* gross income and is not the dependent of another taxpayer; or forty dollars for married persons filing a joint return, provided neither spouse is the dependent of another taxpayer. The determination of marital status for the purpose of this section shall be made in the manner prescribed in Section 153 of the Internal Revenue Code;

(c) Twenty dollars credit for each dependent whose gross income for the calendar year in which the taxable year of the taxpayer begins is less than six hundred dollars, or who is a child, as defined in Section 151 (e) (3) of the Internal Revenue Code, of the taxpayer and who 1. has not attained the age of 19 at the close of the calendar year in which the taxable year of the taxpayer begins, or 2. is a student. No exemption shall be allowed for any dependent who has made a joint return with his spouse;

(d) An additional twenty dollars credit if the taxpayer has attained the age of sixty-five before the close of the taxable year;

(e) An additional twenty dollars credit for taxpayer's spouse if a separate return is made by the taxpayer and if the taxpayer's spouse has attained the age of sixty-five before the close of the taxable year, and, for the calendar year in which the taxable year of the taxpayer begins, has no *Kentucky* gross income and is not the dependent of another taxpayer;

(f) An additional twenty dollars credit if the taxpayer is blind at the close of the taxable year;

(g) An additional twenty dollars credit for taxpayer's spouse if a separate return is made by the taxpayer and if the taxpayer's spouse is blind, and, for the calendar year in which the taxable year of the taxpayer begins, has no *Kentucky* gross income and is not the dependent of another taxpayer;

(h) In the case of nonresidents, the tax credits allowable under this subsection shall be that proportion of those permitted therein that is represented by the ratio of the taxpayer's *Kentucky* adjusted gross income as *determined by* [defined in] KRS 141.010 (10), without the adjustments contained in (a) and (b) of that subsection, to his adjusted gross income as defined in Section 62 of the Internal Revenue Code;

(i) In the case of an individual who becomes a resident of Kentucky during the taxable year, the tax credits allowable under this subsection shall be that portion of those permitted therein that is represented by the ratio of the taxpayer's Kentucky adjusted gross income as determined by KRS 141.010 (10), without the adjustments contained in (a) and (b) of that subsection, to his adjusted gross income as defined in Section 62 of the Internal Revenue Code.

(j) [(i)] In the case of a fiduciary, other than an estate, the allowable tax credit shall be two dollars;

(k) [(j)] In the case of an estate, the allowable tax credit shall be twenty dollars.

(4) An annual tax shall be paid for each taxable year as specified in this section upon the entire net income except as herein provided, from all tangible property located in this state, from all intangible property that has acquired a business situs in this state, and from business, trade, profession, occupation or other activities carried on in this state, by natural persons not residents of this state. A nonresident individual shall be taxable only upon the amount of income received by him from labor performed, business done or from other activities in this state, from tangible property located in this state, and from intangible property which has acquired a business situs in this state; provided, however, that the situs of intangible personal property shall be at the residence of the real or beneficial owner and not at the residence of a trustee having custody or possession thereof. The remainder of the

income received by such nonresident shall be deemed nontaxable by this state.

(5) Subject to the provisions of KRS 141.081 and KRS 141.082, any individual may elect to pay the annual tax imposed by KRS 141.025 in lieu of the tax levied under this section.

(6) An individual who *becomes a resident of Kentucky* [establishes residence in this state] during the taxable year is subject to taxation as prescribed in subsection (4) of this section prior to establishing such residence [during the taxable year,] and as prescribed in subsection (1) of this section *following the establishment of* [upon establishing] such residence [during the taxable year].

Section 6. Section 141.205 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department may require any parent corporation or subsidiary corporation doing business within this state to file a consolidated return covering the entire operations of the parent corporation and its subsidiaries, whenever it finds that the intercorporate transactions of the related group tend to reduce the net income of the corporation, or corporations, doing business within this state below the amount that would probably result if such corporation, or corporations, was not a member of the related group.

(2) The department is authorized and empowered, in such manner as it may determine, to assess the tax against any of the corporations whose net income is involved in the consolidated return upon the basis of the combined net income and such other information as it may possess, or it may adjust the tax in such other manner as it shall determine necessary to prevent avoidance of taxes or to clearly reflect the taxable net income earned by such corporation or corporations.

(3) Any corporation owning or controlling either directly or indirectly *more than fifty* [eighty] percent [or more] of the voting stock of another corporation shall be deemed a parent corporation for purposes of this section. Any corporation having a parent corporation shall be deemed a subsidiary corporation for purposes of this section. Corporations having a common parent shall be considered members of a related group.

(4) If the consolidated return required under this section is not filed within sixty days after demand by the department, said parent corporation or subsidiary corporation or both, shall be subject to the penalty provided in this chapter for failure to file returns.

(5) In the case of a corporation doing business in this state and not required to file a consolidated return under subsection (1) of this section that carried on transactions with stockholders or affiliated corporations directly or indirectly, the department shall adjust the net income of such corporation to an amount that would result if such transactions were carried on at arm's length.

(6) Notwithstanding KRS 141.010 (8), for taxable years beginning after December 31, 1969, any corporation which participates in filing a consolidated Federal income tax return under Internal Revenue Code Section 1501 shall determine the Federal income tax deduction as provided in this subsection. That deduction shall be the lesser of the two amounts computed under (a) and (b) of this subsection, and shall be adjusted to reflect only Federal income tax applicable to income taxed under the provisions of this chapter:

(a) The Federal income tax liability shown on the consolidated Federal income tax return for the taxable year, minus any Federal tax credits actually utilized by the consolidated group, apportioned by a fraction, the numerator of which is the Federal taxable income of the separate corporation and the denominator of which is the Federal taxable income of the consolidated group before reduction for losses sustained by members of the group;

(b) The Federal income tax liability of the consolidated group which would result from the application of the income tax rates contained in the Internal Revenue Code in effect December 31, 1967 to the consolidated federal income for the taxable year, minus any Federal tax credits actually utilized by the consolidated group, apportioned by a fraction, the numerator of which is the Federal taxable income of the separate corporation and the denominator of which is the Federal taxable income of the consolidated group before reduction for losses sustained by members of the group.

[(6) In the case of a corporation which is not required to

file a consolidated return under subsection (1) of this section and which participates in the filing of a consolidated return under Section 1501 of the Internal Revenue Code, deduction for federal income tax shall be determined in accordance with KRS 141.010 (8) but in the same manner as if the corporation had filed a separate return.]

Section 7. Section 141.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) As soon as practicable after each return is received, the department shall examine and audit it. If the amount of tax computed by the department is greater than the amount returned by the taxpayer, the excess shall be assessed by the department within four years from the date the return was filed, except as hereinafter provided. A notice of the assessment shall be mailed to the taxpayer.

(a) In the case of a failure to file a return or of a fraudulent return the excess may be assessed at any time;

(b) In the case of a return where a taxpayer other than a corporation understates his net income or omits from net income an amount properly includible therein or both which understatement or omission or both is in excess of twenty-five percent of the amount of net income stated in the return the excess may be assessed at any time within six years after the return was filed;

(c) In the case of a return wherein a corporation understates its taxable net income or omits from taxable net income an amount properly includible therein or both which understatement or omission or both is in excess of twenty-five percent of the amount of taxable net income stated in the return, the excess may be assessed at any time within six years after the return was filed;

(d) If any excess is assessed on account of any income which has been returned for taxation by any other taxpayer, the department, with the consent of such other taxpayer, his personal representatives or heirs, shall reduce the amount of the excess assessed for each year by the amount of the income tax paid for that year by such other taxpayer on account of the income in question.

(2) For the purpose of subsection (1) of this section a return filed before the last day prescribed by law for the filing thereof shall be considered as filed on such last day. The times provided for in subsection (1) of this section may be extended by agreement between the taxpayer and the department.

(3) It shall be the duty of every taxpayer to: (a) notify the department in writing of every examination of his books and records with respect to his net income as reported on his Federal income tax return within thirty days after he has or should have had knowledge of the beginning of such examination by the Internal Revenue Service, and (b) submit a copy of the final determination of such Federal audit within thirty days of its conclusion. Failure by a taxpayer to notify the department within the time prescribed of a Federal examination shall automatically suspend the limitations set forth in subsection (1) above, until ninety days after the department receives notice in writing of the above actions from the taxpayer.

Notwithstanding the above provisions, the department shall have ninety additional days, to make an assessment or authorize an overpayment, after the department is notified in writing by the taxpayer of the final determination of any Federal audit.

When any taxpayer extends by agreement the Statute of Limitations on deficiencies of Federal income taxes as provided in Section 6501 (c) (4) of the Internal Revenue Code, a copy of such extension shall be submitted to the department within thirty days from the date such agreement is signed by the taxpayer.

Any extension by agreement of the Statute of Limitations on deficiencies of Federal income taxes shall constitute an extension of the Statute of Limitations, for assessments under this section or overpayments under KRS 141.235, for a like period.

[(3)] It shall be the duty of every taxpayer to notify the department in writing of every examination of his books and records with respect to his net income as reported on his Federal income tax return within thirty days after he has or should have had knowledge of the beginning of such examination by the Internal Revenue Service. When any taxpayer executes a

waiver of the statute of limitations on deficiencies or over-assessment of Federal income taxes, he shall notify the department in writing within thirty days from the date he signs such waiver. Failure on the part of a taxpayer to notify the department within the time prescribed of either of the above actions shall automatically suspend the limitations set forth in subsection (1) above, until ninety days after the department receives notice in writing from the taxpayer of such action.]

Section 8. Section 141.235 of the Kentucky Revised Statutes is amended to read as follows:

(1) No suit shall be maintained in any court to restrain or delay the collection or payment of the tax levied by this chapter.

(2) Any tax collected prior to January 1, 1966, pursuant to the provisions of KRS Chapter 141, may be refunded in the manner provided in KRS 134.580, provided that the claim for refund is made within three years of the due date of the return or date the tax was paid, whichever is the later. Any tax collected on or after January 1, 1966, pursuant to the provisions of KRS Chapter 141, may be refunded *or credited* in the manner provided in KRS 134.580, provided that the claim for refund *or credit* is made within four years of the date of the return or the date the tax was paid, whichever is the later, except that, in any case where the assessment period contained in KRS 141.210 has been extended by an agreement executed after December 31, 1965, between the taxpayer and the department, the limitation contained in this subsection shall be extended accordingly.

(3) Overpayments of taxes collected pursuant to *KRS 141.300,* KRS 141.310, *or* [and] KRS 141.315 shall be refunded *or credited* with interest at six percent per annum. The interest shall not begin to accrue until ninety days after the overpayment is made, the return is filed, or the due date of the return, whichever is later.

(4) Exclusive authority to refund *or credit* overpayments of taxes collected pursuant to this chapter is vested in the commissioner or his authorized agent. Amounts directed to be refunded shall be paid out of the General Fund.

Section 9. Section 141.310 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every employer making payment of wages on or after *January 1, 1971* [July 1, 1956] shall deduct and withhold upon such wages a tax determined *under KRS 141.315 or by the tables authorized by Section 10 of this Act* [in accordance with the tables set forth in KRS 141.360 or KRS 141.315, as the case may be].

(2) If wages are paid with respect to a period which is not a payroll period, the amount to be deducted and withheld shall be that applicable in the case of a miscellaneous payroll period containing a number of days, including Sundays and holidays, equal to the number of days in the period with respect to which such wages are paid.

(3) In any case in which wages are paid by an employer without regard to any payroll period or other period, the amount to be deducted and withheld shall be that applicable in the case of a miscellaneous payroll period containing a number of days equal to the number of days, including Sundays and holidays, which have elapsed since the date of the last payment of such wages by such employer during the calendar year, or the date of commencement of employment with such employer during such year, or January 1 of such year, whichever is the later.

(4) In determining the amount to be deducted and withheld under this section, the wages may, at the election of the employer, be computed to the nearest dollar.

(5) The tables mentioned in subsection (1) take into consideration *the deductible* federal income tax [es levied at the effective rates for taxable years beginning on or after January 1, 1954]. If Congress changes substantially the *federal income tax* [effective rates], the department shall make such change in these tables as necessary to compensate for any increase or decrease in the *deductible* [effective] federal income tax [rates].

(6) The department may permit the use of accounting machines to calculate the proper amount to be deducted from wages when the calculation so permitted produces substantially the same result set forth in the tables *authorized by Section 10*

of this Act [contained in KRS 141.360]. Prior approval of such calculation shall be secured from the department at least thirty days before the first payroll period for which it is to be used.

(7) The department may, by regulations, authorize employers:

(a) To estimate the wages which will be paid to any employe in any quarter of the calendar year;

(b) To determine the amount to be deducted and withheld upon each payment of wages to such employe during such quarter as if the appropriate average of the wages so estimated constituted the actual wages paid; and

(c) To deduct and withhold upon any payment of wages to such employe during such quarter such amount as may be necessary to adjust the amount actually deducted and withheld upon the wages of such employe during such quarter to the amount that would be required to be deducted and withheld during such quarter if the payroll period of the employe was quarterly.

(8) The department is authorized to provide by regulation, under such conditions and to such extent as it deems proper, for withholding in addition to that otherwise required under this section and KRS 141.315 in cases in which the employer and the employe agree to such additional withholding. Such additional withholding shall for all purposes be considered tax required to be deducted and withheld under this chapter.

Section 10. A new section of the Kentucky Revised Statutes is created to read:

The tax levied under KRS 141.020 and required to be withheld under KRS 141.310, unless determined by KRS 141.315, shall be withheld in accordance with the tables provided in regulations promulgated by the department.

Section 11. Section 141.330 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every employer required to deduct and withhold tax under KRS 141.310 and 141.315 shall, for the quarterly period beginning on the first day of January of each year, and for each

quarterly period thereafter on or before the last day of the month following the close of each quarterly period make a return and report to the department the tax required to be withheld under KRS 141.310 and 141.315, [.] *unless the employer is permitted or required to report monthly or annually.* Such employer shall on or before the last day of the month following the close of each quarterly period, pay over to the department the tax required to be withheld under KRS 141.310 and 141.315; provided, however, that the department may, by regulations, require employers to remit the tax withheld under KRS 141.310 and 141.315 within a reasonable time after the payroll period or other period. A return shall be filed by every employer making payment of wages [for each quarter in which wages were paid] even though no tax has been withheld.

(2) If the department in any case, has reason to believe that the collection of the tax provided for in subsection (1) of this section is in jeopardy, it may require the employer to make such return and pay such tax at any time.

(3) Every employer, who fails to withhold or pay to the department any sums required by this chapter to be withheld and paid, shall be personally and individually liable therefor to the Commonwealth; and any sum or sums withheld in accordance with the provisions of KRS 141.310 and 141.315 shall be deemed to be held in trust for the Commonwealth.

[(4) Actions for the recovery from any employer of sums required to be withheld in accordance with KRS 141.310 and 141.315 shall be governed by the provisions of KRS Chapter 135. Any such action shall be brought within four years after the due date of the return required by subsection (1) of this section.]

(4) [(5)] The Commonwealth shall have a lien upon all the property of any employer who fails to withhold or pay over to the department sums required to be withheld under KRS 141.310 and 141.315. If the employer withholds but fails to pay the amounts withheld to the department, the lien shall accrue as of the date the amounts withheld were required to be paid to the department. If the employer fails to withhold, the lien shall accrue at the time the liability of the employer becomes fixed.

Section 12. Section 141.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) If any taxpayer fails or refuses to file a return or furnish any information requested in writing by the department, the department may make an estimate of the net income from any information in its possession, assess the tax at not more than twice the amount estimated to be due and add a penalty of twenty-five percent of the amount of any deficiency tax assessed concerning such failure or refusal to file a return or furnish any information. This penalty shall be in addition to all other applicable penalties in this section.

(2) If any taxpayer fails to make and file a return required by this chapter on or before the due date of the return or the due date as extended by the department, then, unless it is shown to the satisfaction of the department that the failure is due to reasonable cause, five percent of the tax found to be due by the department shall be added to the tax for each thirty days or fraction thereof elapsing between the due date of the return and the date on which filed, but the total penalty shall not exceed twenty-five percent of the tax.

(3) If any part of any deficiency is due to negligence, or intentional disregard of rules and regulations but without intent to defraud, five percent of the total amount of the deficiency, in addition to the deficiency and other penalties provided in this section, shall apply.

(4) If any part of any deficiency is due to fraud with intent to evade tax fifty percent of the total amount of the deficiency, in addition to the deficiency and other penalties provided in this section, shall apply.

(5) *(a)* If the tax imposed by this chapter, whether assessed by the department, or the taxpayer, or any installment or portion of the tax is not paid on or before the date prescribed for its payment, there shall be collected, as a part of the tax, interest upon the unpaid amount at the rate of *eight* [six] percent per annum from the date prescribed for its payment until payment is actually made to the department. If any assessment made by the department is not paid within the time prescribed, or protested in accordance with KRS 131.110, the department may

assess and the taxpayer shall pay as a penalty, in addition to the amount of the tax and other applicable penalties, one percent of the tax for each month the tax remains unpaid.

(b) If any taxpayer fails to pay the tax imposed by this chapter within the time prescribed, unless it is shown to the satisfaction of the department that the failure is due to reasonable cause, the department may assess a penalty of ten percent of the tax due, plus interest on the tax and penalty from the due date at one percent a month or fraction thereof until paid.

(6) Any person required under the provisions of KRS 141.150 or 141.335 to furnish a statement required under that section who willfully furnishes a false or fraudulent statement, or who willfully fails to furnish a statement in the manner at the time and showing the information required under KRS 141.150 and 141.335, may for each such failure be subject to a civil penalty of ten dollars. Such penalty may be assessed and collected by the department, and the assessment of such penalty may be reviewed only in the manner provided in KRS 131.110.

(7) (a) Any employer required under the provisions of KRS 141.310, 141.315 or 141.330 to withhold taxes on wages, file returns, and make payment of amounts withheld to the department, who fails to withhold such taxes, or to file such returns when due, or who fails to remit amounts collected to the department when due, or when filing the returns understates the amount due shall, unless such failure to comply is shown to the satisfaction of the department to be due to reasonable cause, be subject to a civil penalty equal to five percent per month or fraction thereof not to exceed twenty-five percent, of the amount of taxes that should have been properly withheld and paid over to the department, or five dollars, whichever is greater, for each such failure. However, where such failure is shown to be due to reasonable cause the department may reduce the penalty provided herein to an amount equal to five percent of the amount of taxes that should have been properly withheld and paid over to the department but not to exceed one hundred dollars, or five dollars, whichever is greater, for each such penalty. Each penalty shall be assessed and collected by the department and the assessment of such penalty may be reviewed only in the manner provided in KRS 131.110. *The penalty may be waived if the return and pay-*

ment are received within thirty days after the due date and the employer has no previous record of late filing or late payment within two years next preceding such due date.

(b) Any employer required to file a return under the provisions of KRS 141.330 (1) when no tax should have been properly withheld, and who fails to file the same when due, shall be subject to a civil penalty of five dollars for each violation. Such penalty shall be assessed and collected by the department and the assessment of such penalty may be reviewed only in the manner provided in KRS 131.110. *The penalty may be waived if the return is received within thirty days after the due date and the employer has no previous record of late filing within two years next preceding such due date.*

(8) (a) In the case of a failure to make and file a declaration of estimated tax *by an individual* within the time prescribed, unless such failure is shown to the satisfaction of the department to be due to reasonable cause and not to willful neglect, there shall be added to the tax six percent of each installment due. For the purposes of this subsection, the amount and due date of each installment shall be the same as if a declaration had been filed within the time prescribed showing an estimated tax equal to the correct tax reduced by the credit allowed by KRS 141.350.

(b) Where a declaration of estimated tax has been made and filed *by an individual* within the time prescribed, or where a declaration of estimated tax has been made and filed after the time prescribed and the department has found that failure to make and file such declaration within the time prescribed was due to reasonable cause and not to willful neglect, in the case of failure to pay an installment of the estimated tax within the time prescribed, unless such failure is shown to the satisfaction of the department to be due to reasonable cause and not to willful neglect, there shall be added to the tax six percent of the unpaid amount of such installment.

(9) If eighty percent of the tax, determined without regard to the credit under KRS 141.350 in the case of individuals other than farmers exercising an election under subsection (5) of KRS 141.305, or sixty-six and two thirds percent of such tax so determined in the case of such farmers, exceeds the estimated tax, increased by such credit, there shall be added to the tax

an amount equal to such excess, or equal to six percent of the amount by which such tax so determined exceeds the estimated tax so increased, whichever is the lesser. This subsection shall not apply to the taxable year in which falls the death of the taxpayer, nor shall it apply to the taxable year in which the taxpayer makes a timely payment on April 15, July 15 and November 15, of such year, or in the case of farmers exercising an election under subsection (5) of KRS 141.305 within the last quarter, and making payment in an amount at least as great as though computed on the basis of the facts shown on his return for the preceding taxable year.

(10) Any corporation, required by KRS 141.042 to file a declaration of estimated tax and by KRS 141.044 to pay such declaration of estimated tax, which fails to file the declaration or which pays a lesser amount than required, may be assessed a penalty of fifteen percent of the underpayment. Underpayment, for purposes of this subsection, shall mean seventy percent of the income tax shown to be due on the final return for the year reduced by the sum of five thousand dollars plus previous declaration payments, or, if no declaration is filed, the underpayment shall be seventy percent of the income tax shown to be due on the final return for the year reduced by five thousand dollars.

(11) [(10)] Any penalty imposed by subsections (1), (2), (3), (4), (5), (6), (7), (8), [or] (9) *or (10)* of this section shall be assessed, collected and paid in the same manner as if it were a deficiency.

(12) [(11)] Every tax imposed by this chapter, and all increases, interest and penalties thereon, shall become, from the time it is due and payable, a personal debt to the state from the taxpayer or other person liable therefor.

(13) [(12)] In addition to the penalties herein prescribed, any taxpayer or employer, who willfully fails to make a return or willfully makes a false return, or who willfully fails to pay taxes owing or collected, with intent to evade payment of the tax or amount collected, or any part thereof, shall upon conviction thereof be fined not less than five hundred dollars nor more than five thousand dollars, or confined in the penitentiary for not less than twelve months or more than five years, or both.

(14) [(13)] Any person who willfully aids or assists in, or procures, counsels, or advises the preparation or presentation under, or in connection with any matter arising under KRS Ch. 141 of a return, affidavit, claim, or other document, which is fraudulent or is false as to any material matter, whether or not such falsity or fraud is with the knowledge or consent of the person authorized or required to present such return, affidavit, claim, or document shall be guilty of a felony and, upon conviction thereof shall be fined not more than $5,000, or imprisoned not more than three years, or both together with the costs of prosecution.

(15) [(14)] A return for the purpose of this section shall mean and include any return, declaration or form prescribed by the department and required to be filed with the department by the provisions of this chapter, or by the rules and regulations of the department or by written request for information to the taxpayer by the department.

Section 13. KRS 141.046 and 141.360 are hereby repealed.

Section 14. The provisions of this Act shall apply to taxable years beginning on or after January 1, 1971 except as otherwise provided in this Act.

The Committee Amendment No. 1 to **HB 317** is as follows:

Amend printed copy of House Bill 317 on page 1, line 8, by: deleting lines 8 and 9 and substituting therefor "The penalty under this section shall not be less than ten dollars nor more than one hundred dollars."

Page 3, line 15, by deleting the comma and brackets at the end of the line.

Page 9, line 8, by deleting the colon at the end of the line and substitute therefor a semicolon.

Page 17, line 4, by deleting the period at the end of the line and substitute therefor a semicolon.

Page 18, line 16, by deleting the bracket after (3).

Page 21, line 13, by inserting a bracket between the zero and period.

Page 29, line 28, by inserting an "s" at the end of the word "purpose."

The Committee Amendment No. 2 to **HB 317** is as follows:

Amend printed copy of House Bill 317 on page 28, line 17, by: deleting lines 17 through 27 and substituting therefor the following: "Any corporation required by KRS 141.042 to file a declaration of estimated tax and required to pay such declaration of estimated tax by the installment method prescribed by KRS 141.044(1), may be subject to a penalty of ten percent of any installment underpayment or any installment not paid on time. Installment underpayment is the installment determined by KRS 141.044(1), less the installment actually paid, based upon seventy percent of the income tax shown to be due on the final return for the year reduced by five thousand dollars.

"Provided, however, that no corporation which filed declarations on the basis of its taxable income for the immediately preceding fiscal year – and pays the amount thus computed when due shall be liable for any penalty under this subsection; and provided further that the levy of any penalty under this subsection shall preclude the levy of the penalty under subsection (5) (b) of this section."

HB 478, AN ACT relating to the financing of lower income housing and providing for the creation and establishment of the Kentucky Housing Corporation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be Chapter 198 of the Kentucky Revised Statutes, a new section whereof is created to read as follows:

This Act shall be known and may be cited as the "Kentucky Housing Corporation Act."

Section 2. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

(1) The General Assembly hereby finds and declares that as a result of the spread of slum conditions and blight to formerly sound urban and rural neighborhoods and as a result of actions involving highways, public facilities and urban renewal activities there exists in the Commonwealth of Kentucky a serious shortage

of decent, safe and sanitary residential housing available at low prices or rentals to persons and families of lower income. This shortage is severe in certain urban areas of the state, is especially critical in the rural areas, and is inimical to the health, safety, welfare and prosperity of all residents of the state and to the sound growth of Kentucky communities.

(2) The General Assembly hereby finds and declares further that private enterprise and investment have not been able to produce, without assistance, the needed construction of decent, safe and sanitary residential housing at low prices or rentals which persons and families of lower income can afford, or to achieve the urgently needed rehabilitation of much of the present lower income housing. It is imperative that the supply of residential housing for persons and families of lower income affected by the spread of slum conditions and blight and for persons and families of lower income displaced by public actions or natural disaster be increased; and that private enterprise and investment be encouraged to sponsor, build and rehabilitate residential housing for such persons and families, to help prevent the recurrence of slum conditions and blight and assist in their permanent elimination throughout Kentucky.

(3) The General Assembly hereby finds and declares further that the purposes of this Act are to provide financing for development costs, land development and residential housing construction, new or rehabilitated, for sale or rental to persons and families of lower income.

(4) The General Assembly hereby finds and declares further that in accomplishing this purpose, the Kentucky Housing Corporation, a public agency and an instrumentality of the Commonwealth is acting in all respects for the benefit of the people of the state in the performance of essential public functions and serves a public purpose in improving and otherwise promoting their health, welfare and prosperity, and that the Kentucky Housing Corporation is empowered to act on behalf of the Commonwealth of Kentucky and its people in serving this public purpose for the benefit of the general public.

Section 3. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

The following words and terms, unless the context clearly indicates a different meaning, shall have the following respective meanings:

(1) "Bonds" or "Notes" means the bonds or bond anticipation notes authorized to be issued by the corporation under this Act but shall not include any fund notes;

(2) "Corporation" means the Kentucky Housing Corporation created by this Act;

(3) "Development costs" means the costs approved by the corporation as appropriate expenditures which may be incurred by sponsors, builders and developers of residential housing, prior to commitment and initial advance of the proceeds of a construction loan or of a mortgage, including but not limited to:

(a) Payments for options to purchase properties on the proposed residential housing site, deposits on contracts of purchase, or, with prior approval of the corporation, payments for the purchase of such properties,

(b) Legal and organizational expenses, including payments of attorney's fees, project manager, clerical and other staff salaries, office rent and other incidental expenses,

(c) Payment of fees for preliminary feasibility studies and advances for planning, engineering and architectural work,

(d) Expenses for tenant surveys and market analyses, and

(e) Necessary application and other fees;

(4) "Fund notes" means the notes authorized to be issued by the corporation under the provisions of Section 7 of this Act;

(5) "Governmental agency" means any department, division, public agency, political subdivision or other public instrumentality of the Commonwealth, the federal government, any other state or public agency, or any two or more thereof;

(6) "Housing Development Fund" means the housing development fund created by Section 7 of this Act;

(7) "Insured construction loan" means a construction loan for land development or residential housing which is secured by a federally insured mortgage or which is insured by the United States or an instrumentality thereof, or for which there is a

commitment by the United States or an instrumentality thereof to insure such a loan;

(8) "Insured mortgage" or "Insured mortgage loan" means a mortgage loan for residential housing insured or guaranteed by the United States or an instrumentality thereof or for which there is a commitment by the United States or an instrumentality thereof to insure such a mortgage;

(9) "Land development" means the process of acquiring land primarily for residential housing construction for persons and families of lower income and making, installing or constructing non-residential housing improvements, including water, sewer and other utilities, roads, streets, curbs, gutters, sidewalks, storm drainage facilities and other installations or works, whether on or off the site, which the corporation deems necessary or desirable to prepare such land primarily for residential housing construction;

(10) "Obligations" means any bonds, bond anticipation notes or fund notes authorized to be issued by the corporation under the provisions of this Act;

(11) "Persons and families of lower income" means persons and families deemed by the corporation to require such assistance as is made available by this Act on account of insufficient personal or family income, taking into consideration, without limitation, such factors as:

(a) The amount of the total income of such persons and families available for housing needs,

(b) The size of the family,

(c) The cost and condition of housing facilities available,

(d) The eligibility of such persons and families for federal housing assistance of any type predicated upon a lower income basis, and

(e) The ability of such persons and families to compete successfully in the normal housing market and to pay the amounts at which private enterprise is providing decent, safe and sanitary housing, and deemed by the corporation therefore to be eligible to occupy residential housing constructed and financed, wholly or in part, with insured construction loans or insured mortgages, or with other public or private assistance;

(12) "Residential housing" means a specific work or improvement undertaken primarily to provide dwelling accommodations for persons and families of lower income, including the acquisition, construction or rehabilitation of land, buildings and improvements thereto, and such other non-housing facilities as may be incidental or appurtenant thereto; and

(13) "State" means the Commonwealth of Kentucky.

Section 4. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby created and established as a governmental instrumentality of the Commonwealth, to be independent of the Executive Branch, a public body corporate to be known as the Kentucky Housing Corporation.

(2) The housing corporation is created and established to serve a public purpose and to act for the public benefit and as a governmental instrumentality of the Commonwealth to act on behalf of the Commonwealth and its people in improving and otherwise promoting their health, welfare and prosperity.

(3) The housing corporation shall be governed by a board of directors, consisting of nine members, five of whom shall be the Commissioner of Finance, the Administrator of the Kentucky Program Development Office, the Attorney General, the Commissioner of Revenue, and the Commissioner of Commerce, as public directors, and four of whom shall be chosen from the general public residing in the Commonwealth, as private directors.

(4) Upon organization of the housing corporation, the Governor shall appoint the four private directors to take office and to exercise all powers thereof immediately. The four members of the corporation thus appointed shall continue in office for terms of one, two, three and four years respectively as the Governor shall designate; at the expiration of said terms and for all succeeding terms, the Governor shall appoint a successor to the office of private director for a term of four years in each case.

(5) In case of a vacancy, the Governor may appoint a person for such a vacancy to hold office during the remainder of the term.

(6) The Governor may remove any private director whom

he may appoint in case of incompetency, neglect of duty, gross immorality, or malfeasance in office; and he may declare his office vacant and may appoint a person for such vacancy as provided in other cases of vacancy.

(7) The Governor shall designate a member of the corporation to serve as chairman. The term of the chairman shall extend to the earlier of either the date of expiration of his then current term as a member of the corporation or a date six months after the expiration of the then current term of the Governor designating such chairman.

(8) The corporation shall annually elect one of its members as vice chairman. The corporation shall also elect or appoint, and prescribe the duties of, such other officers as the corporation deems necessary or advisable, including an executive director and a secretary, and the corporation shall fix the compensation of such officers.

(9) The executive director shall administer, manage and direct the affairs and business of the corporation, subject to the policies, control and direction of the members of the corporation. The secretary of the corporation shall keep a record of the proceedings of the corporation and shall be custodian of all books, documents and papers filed with the corporation, the minute book or journal of the corporation and its official seal. He shall have authority to cause copies to be made of all minutes and other records and documents of the corporation and to give certificates under the official seal of the corporation to the effect that such copies are true copies, and all persons dealing with the corporation may rely upon certificates.

(10) Six members of the board of directors shall constitute a quorum. No vacancy in the membership of the board shall impair the right of a quorum to exercise all the rights and perform all the duties of the board of directors.

(11) No action shall be taken by the board of directors except upon the affirmative vote of at least five of the directors.

(12) Directors shall receive no compensation for their services but shall be entitled to their reasonable and necessary expenses actually incurred in discharging their duties under this Act.

Section 5. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

The corporation shall have all of the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act, including, but without limiting the generality of the foregoing, the power:

(1) To make or participate in the making of insured construction loans to sponsors of land development or residential housing; provided, however, that such loans shall be made only upon the determination by the corporation that construction loans are not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions;

(2) To make or participate in the making of insured mortgage loans to sponsors of residential housing; provided, however, that such loans shall be made only upon the determination by the corporation that mortgage loans are not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions;

(3) To purchase or participate in the purchase of insured mortgage loans made to sponsors of residential housing or to persons of lower income for residential housing where the corporation has given approval prior to the initial making of such loan; provided, however, that any such purchase shall be made only upon the determination by the corporation that mortgage loans were, at the time such approval was given, not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions;

(4) To make temporary loans from the Housing Development Fund;

(5) To collect and pay reasonable fees and charges in connection with making, purchasing and servicing its loans, notes, bonds, commitments and other evidences of indebtedness;

(6) To acquire on a temporary basis real property, or an interest therein, in its own name, by purchase, transfer or foreclosure, where such acquisition is necessary or appropriate to protect any loan in which the corporation has an interest and to sell, transfer and convey any such property to a buyer and, in the event such sale, transfer or conveyance cannot be effected with reason-

able promptness or at a reasonable price, to rent or lease such property to a tenant pending such sale, transfer or conveyance;

(7) To sell, at public or private sale, all or any part of any mortgage or other instrument or document securing a construction, land development, mortgage or temporary loan of any type permitted by this Act;

(8) To procure insurance against any loss in connection with its operations in such amounts, and from such insurers, as it may deem necessary or desirable;

(9) To consent, whenever it deems it necessary or desirable in the fulfillment of its corporate purposes, to the modification of the rate of interest, time of payment of any installment of principal or interest, or any other terms, of any mortgage loan, mortgage loan commitment, construction loan, temporary loan, contract or agreement of any kind to which the corporation is a party;

(10) To borrow money as herein provided to carry out and effectuate its corporate purposes and to issue its obligation as evidence of any such borrowing;

(11) To include in any borrowing such amounts as may be deemed necessary by the corporation to pay financing charges, interest on the obligations for a period not exceeding two years from their date, consultant, advisory and legal fees and such other expenses as are necessary or incident to such borrowing;

(12) To make and publish rules and regulations respecting its lending programs and such other rules and regulations as are necessary to effectuate its corporate purposes;

(13) To provide technical and advisory services to sponsors, builders and developers of residential housing and to residents thereof;

(14) To promote research and development in scientific methods of constructing low cost residential housing of high durability;

(15) To make and execute agreements, contracts and other instruments necessary or convenient in the exercise of the powers and functions of the corporation under this Act, including contracts with any person, firm, corporation, governmental agency

or other entity, and each and any Kentucky governmental agency is hereby authorized to enter into contracts and otherwise cooperate with the corporation to facilitate the purposes of this Act;

(16) To receive, administer and comply with the conditions and requirements respecting any appropriation or any gift, grant or donation of any property or money;

(17) To sue and be sued in its own name, plead and be impleaded;

(18) To maintain an office in the City of Frankfort and at such other place or places as it may determine;

(19) To adopt an official seal and alter the same at pleasure;

(20) To adopt bylaws for the regulation of its affairs and the conduct of its business and to prescribe rules, regulations and policies in connection with the performance of its functions and duties; and

(21) To employ fiscal consultants, engineers, attorneys, real estate counselors, appraisers and such other consultants and employees as may be required in the judgment of the corporation and to fix and pay their compensation from funds available to the corporation therefor.

Section 6. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

(1) Obligations issued under the provisions of this Act shall not be deemed to constitute a debt, liability or obligation of the state or of any political subdivision thereof or a pledge of the faith and credit of the state or of any such political subdivision, but shall be payable solely from the revenues or assets of the corporation. Each obligation issued under this Act shall contain on the face thereof a statement to the effect that the corporation shall not be obligated to pay the same nor the interest thereon except from the revenues or assets pledged therefor and that neither the faith and credit nor the taxing power of the state or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such obligation.

(2) Expenses incurred by the corporation in carrying out the provisions of this Act may be made payable from funds provided pursuant to this Act and no liability shall be incurred by the corporation hereunder beyond the extent to which moneys shall have been so provided.

Section 7. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby created and established a special revolving loan fund to be known as the Housing Development Fund and to be administered by the corporation as a trust fund separate and distinct from any other moneys or funds administered by the corporation.

(2) The Housing Development Fund shall be comprised of the proceeds of grants and contributions and of fund notes issued by the corporation for the purpose of providing funds therefor. The corporation is hereby authorized to receive and accept from any source whatever any grants or contributions for the Housing Development Fund. The corporation is further authorized to provide for the issuance, at one time or from time to time, of Housing Development Fund notes for the purpose of providing funds for such Fund; provided, however, that not more than $5,000,000 fund notes shall be outstanding at any one time. The principal of and the interest on any such fund notes shall be payable solely from the Housing Development Fund. The fund notes of each issue shall be dated, shall mature at such time or times not exceeding ten years from their date or dates, and many be made redeemable before maturity, at the option of the corporation, at such price or prices and under such terms and conditions as may be determined by the corporation. The corporation shall determine the form and manner of execution of the fund notes, including any interest coupons to be attached thereto, and shall fix the denomination or denominations and the place or places of payment of principal and interest, which may be any bank or trust company within or without the state or any agent, including the lender. In case any officer whose signature or a facsimile of whose signature shall appear on any fund notes or coupons attached thereto shall cease to be such officer before the delivery thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same

as if he had remained in office until such delivery. The fund notes may be issued in coupon or in registered form, or both, as the corporation may determine, and provision may be made for the registration of any coupon fund notes as to principal alone and also as to both principal and interest, and for the reconversion into coupon fund notes of any fund notes registered as to both principal and interest, and for the interchange of registered and coupon fund notes. Any such fund notes shall bear interest at such rate or rates as may be determined by the corporation and may be sold in such manner, either at public or private sale, and for such price as the corporation shall determine to be for the best interest of the corporation and best effectuate the purposes of this Act.

(3) The proceeds of any fund notes shall be used solely for the purposes for which issued and shall be disbursed in such manner and under such restrictions, if any, as the corporation may provide in the resolution authorizing the issuance of such fund notes. The corporation may provide for the replacement of any fund notes which shall become mutilated or shall be destroyed or lost.

(4) Fund notes may be issued under the provisions of this section without obtaining the consent of any department, division, commission, board, body, bureau or agency of the state, and without any other proceedings or the happening of any conditions or things other than those proceedings, conditions or things which are specifically required by this Act and the provisions of the resolution authorizing the issuance of such fund notes.

(5) The purpose of the Housing Development Fund is to provide a source from which the corporation may make temporary loans, and the corporation is authorized to make temporary loans from the Housing Development Fund, at such interest rate or rates as may be determined by the corporation to be for the best interest of the corporation and best effectuate the purpose of this Act, and with such security for repayment as the corporation deems reasonably necessary and practicable, to:

(a) Defray development costs of sponsors, builders and developers of residential housing, or

(b) Provide to persons and families of lower income who

are applying for mortgages, the amounts required to make down payments and pay closing costs, or

(c) Make or participate in the making of construction loans which are not federally insured to sponsors, builders and developers of land development or residential housing; provided, however, that such loans shall be made only upon the determination by the corporation that construction loans are not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions.

(6) No temporary loans shall be made by the corporation from the Housing Development Fund except in accordance with a written agreement which shall include, without limitation, the following terms and conditions:

(a) The proceeds of such loan shall be used only for the purpose for which such loan shall have been made as provided in the agreement;

(b) Such loan shall be repaid in full as provided in the agreement;

(c) All repayments in connection with a loan to defray development costs shall be made concurrent with receipt by the borrower of the proceeds of a construction loan or mortgage loan, as the case may be, or at such other times as the corporation deems reasonably necessary or practicable; and

(d) Such security for repayment shall be specified and shall be upon such terms and conditions as the corporation deems reasonably necessary or practicable to insure all repayments.

(7) No funds from the Housing Development Fund shall be used to carry on propaganda or otherwise attempt to influence legislation.

Section 8. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

(1) The corporation is hereby authorized to provide for the issuance, at one time or from time to time, of not exceeding $200,000,000 bonds of the corporation to carry out and effectuate its corporate purposes. In anticipation of the issuance of such bonds the corporation also is hereby authorized to provide for the issuance, at one time or from time to time, of bond anticipa-

tion notes. The principal of and the interest on such bonds or notes shall be payable solely from the funds herein provided for such payment. Any such notes may be made payable from the proceeds of bonds or renewal notes or, in the event bond or renewal note proceeds are not available, such notes may be paid from any available revenues or assets of the corporation. The bonds or notes of each issue shall be dated and may be made redeemable before maturity at the option of the corporation at such price or prices and under such terms and conditions as may be determined by the corporation. Any such bonds or notes shall bear interest at such rate or rates as may be determined by the corporation. Notes shall mature at such time or times not exceeding ten years from their date or dates and bonds shall mature at such time or times not exceeding forty years from their date or dates, as may be determined by the corporation. The corporation shall determine the form and manner of execution of the bonds or notes, including any interest coupons to be attached thereto, and shall fix the denomination or denominations and the place or places of payment of principal and interest, which may be any bank or trust company within or without the state. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or notes or coupons attached thereto shall cease to be such officer before the delivery thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The corporation may also provide for the authentication of the bonds or notes by a trustee or fiscal agent. The bonds or notes may be issued in coupon or in registered form, or both, as the corporation may determine, and provision may be made for the registration of any coupon bonds or notes as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds or notes of any bonds or notes registered as to both principal and interest, and for the interchange of registered and coupon bonds or notes. Upon the approval of a resolution of the corporation, authorizing the sale of its bonds or notes, such bonds or notes may be sold in such manner, either at public or private sale, and for such price as said corporation shall determine to be for the best interest of the corporation and best effectuate the purposes of this Act provided that such sale shall be approved by the corporation.

(2) The proceeds of any bonds or notes shall be used solely for the purposes for which issued and shall be disbursed in such manner and under such restrictions if any, as the corporation may provide in the resolution authorizing the issuance of such bonds or notes or in the trust agreement hereinafter mentioned securing the same.

(3) Prior to the preparation of definitive bonds, the corporation may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The corporation may also provide for the replacement of any bonds or notes which shall become mutilated or shall be destroyed or lost.

(4) Bonds or notes may be issued under the provisions of this Act without obtaining the consent of any department, division, commission, board, body, bureau or agency of the state, and without any other proceedings or the happening of any conditions or things other than those proceedings, conditions or things which are specifically required by this Act and the provisions of the resolution authorizing the issuance of such bonds or notes or the trust agreement securing the same.

Section 9. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

In the discretion of the corporation any obligations issued under the provisions of this Act may be secured by a trust agreement by and between the corporation and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state. Such trust agreement or the resolution providing for the issuance of such obligations may pledge or assign all or any part of the revenues or assets of the corporation, including, without limitation, mortgage loans, mortgage loan commitments, construction loans, temporary loans, contracts, agreements and other security or investment obligations, the fees or charges made or received by the corporation, the moneys received in payment of loans and interest thereon, and any other moneys received or to be received by the corporation. Such trust agreement or resolution may contain such provisions for protecting and enforcing the rights and remedies of the holders of any such obligations as may be reasonable and

proper and not in violation of law, including covenants setting forth the duties of the corporation in relation to the purposes to which obligation proceeds may be applied, the disposition or pledging of the revenues or assets of the corporation, the terms and conditions for the issuance of additional obligations, and the custody, safeguarding and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of the state which may act as depositary of the proceeds of obligations, revenues or other money hereunder to furnish such indemnifying bonds or to pledge such securities as may be required by the corporation. Any such trust agreement or resolution may set forth the rights and remedies of the holders of any obligations and of the trustee, and may restrict the individual right of action by any such holders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the corporation may deem reasonable and proper for the security of the holders of any obligations. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be paid from the revenues or assets pledged or assigned to the payment of the principal of and the interest on obligations or from any other funds available to the corporation.

Section 10. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

The pledge of any assets or revenues of the corporation to the payment of the principal of or the interest on any obligations of the corporation shall be valid and binding from the time when the pledge is made and any such assets or revenues shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the corporation, irrespective of whether such parties have notice thereof. Nothing herein shall be construed to prohibit the corporation from selling any assets subject to any such pledge except to the extent that any such sale may be restricted by the trust agreement or resolution providing for the issuance of such obligations.

Section 11. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

Notwithstanding any other provisions of law to the contrary,

all moneys received pursuant to the authority of this Act shall be deemed to be trust funds to be held and applied soley as provided in this Act. The resolution authorizing any obligations or the trust agreement securing the same may provide that any of such moneys may be temporarily invested pending the disbursement thereof and shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulations as this Act and such resolution or trust agreement may provide. Any such moneys or any other moneys of the corporation may be invested as provided in KRS 386.020.

Section 12. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

Any holder of obligations issued under the provisions of this Act or any coupons appertaining thereto, and the trustee under any trust agreement or resolution authorizing the issuance of such obligations, except the rights herein given may be restricted by such trust agreement or resolution, may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights under the laws of the state or granted hereunder or under such trust agreement or resolution, or under any other contract executed by the corporation pursuant to this Act, and may enforce and compel the performance of all duties required by this Act or by such trust agreement or resolution to be performed by the corporation or by any officer thereof.

Section 13. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

Notwithstanding any of the foregoing provisions of this Act or any recitals in any obligations issued under the provisions of this Act, all such obligations and interest coupons appertaining thereto shall be and are hereby made negotiable instruments under the laws of this state, subject only to any applicable provisions for registration.

Section 14. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

Obligations issued under the provisions of this Act are hereby made securities in which all public officers and public bodies

of the Commonwealth and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such obligations are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds, notes or obligations of the state is now or may hereafter be authorized by law.

Section 15. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

(1) The corporation is hereby authorized to provide for the issuance of refunding obligations for the purpose of refunding any obligations then outstanding which shall have been issued under the provisions of this Act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such obligations and, if deemed advisable by the corporation, for any corporate purpose of the corporation. The issuance of such obligations, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties and obligations of the corporation in respect of the same shall be governed by the provisions of this Act which relate to the issuance of obligations, insofar as such provisions may be appropriate therefor.

(2) Refunding obligations may be sold or exchanged for outstanding obligations issued under this Act and, if sold, the proceeds thereof may be applied, in addition to any other authorized purposes, to the purchase, redemption or payment of such outstanding obligations. Pending the application of the proceeds of any such refunding obligations, with any other available funds, to the payment of the principal, accrued interest and any redemption premium on the obligations being refunded, and, if so provided or permitted in the resolution authorizing the issuance of such refunding obligations or in the trust agreement securing the same, to the payment of any interest on such refunding obligations and any expenses in connection with such refunding, such proceeds may be invested in direct obligations of, or obligations the principal of and the interest on which are un-

conditionally guaranteed by, the United States of America which shall mature or which shall be subject to redemption by the holders thereof, at the option of such holders, not later than the respective dates when the proceeds, together with the interest accruing thereon, will be required for the purposes intended.

Section 16. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

The corporation shall, promptly following the close of each fiscal year, submit an annual report of its activities for the preceding year to the Governor and the General Assembly. Each such report shall set forth a complete operating and financial statement of the corporation during the year. The housing fund shall also cause an annual audit to be made by a resident independent certified public accountant of its books, accounts, and records, with respect to its receipts, disbursements, contracts, mortgages, leases, assignments, loans and all other matters relating to its financial operations. The persons performing such audit shall furnish copies of the audit report to the Commissioner of Finance, where they shall be placed on file and made available for inspection by the general public.

Section 17. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

No member or other officer of the corporation shall be subject to any personal liability or accountability by reason of his execution of any obligations or the issuance thereof.

Section 18. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

The corporation is authorized to accept such moneys as may be appropriated from time to time by the General Assembly for effectuating its corporate purposes including, without limitation, the payment of the initial expenses of administration and operation and the establishment of a reserve or contingency fund to be available for the payment of the principal of and the interest on any bonds or notes of the corporation.

Section 19. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

The Commonwealth of Kentucky hereby covenants, with due

regard to Section 175 of the Constitution of the Commonwealth of Kentucky, with the holders of the notes and bonds issued by the housing fund to carry out and effectuate its corporate purpose pursuant to this Act that the housing fund shall not be required to pay any taxes and assessments to the Commonwealth of Kentucky, or any county, municipality or other governmental subdivision of the Commonwealth of Kentucky, upon any of its property or upon its obligations or other evidences of indebtedness pursuant to the provisions of this Act, or upon any monies, funds, revenues or other income held or received by the housing fund and that the notes and bonds of the housing fund and the income therefrom shall at all times be exempt from taxation, as aforesaid, except for death and gift taxes and taxes of transfers; provided, however, that the housing fund shall not be exempt from payment of sales taxes.

Section 20. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

If any member, officer or employe of the corporation shall be interested either directly or indirectly, or shall be an officer or employe of or have an ownership interest in any firm or corporation interested directly or indirectly in any contract with the corporation, including any loan to any sponsor, builder or developer, such interest shall be disclosed to the corporation and shall be set forth in the minutes of the corporation, and the member, officer or employe having such interest therein shall not participate on behalf of the corporation in the authorization of any such contract.

Section 21. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

The foregoing sections of this Act shall be deemed to provide an additional and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws, and shall not be regarded as in derogation of any powers now existing; provided, however, that the issuance of bonds or notes under the provisions of this Act need not comply with the requirements of any other law applicable to the issuance of bonds or notes.

Section 22. A new section of Chapter 198 of the Kentucky Revised Statutes is created to read as follows:

Upon termination or dissolution, all rights and properties of the corporation shall pass to and be vested in the Commonwealth of Kentucky, subject to the rights of lienholders and other creditors, unless the board of directors directs at such times that they be distributed among one or more corporations, trusts, community chests, funds or foundations organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder, member or individual and no substantial part of whose activities consists of carrying on propaganda, or otherwise attempting to influence legislation.

HB 491, AN ACT relating to pari-mutuel betting and other similar systems of betting, including the taxation thereof.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 138.510 of the Kentucky Revised Statutes is amended to read as follows:

(1) An excise tax is imposed on every person, corporation or association which operates a running [or trotting] horse race track at which betting is conducted through a pari-mutuel or other similar system. The tax shall be an amount equal to four *and three-fourths* percent *of all money wagered during the year.* [of the first eighteen million dollars wagered during the year, and six percent of all money in excess of eighteen million dollars wagered during the year.] A year as used herein shall begin at 12:01 A.M. July 1 and end at 12 midnight June 30.

(2) An excise tax is imposed on every person, corporation or association which operates a trotting horse race track at which betting is conducted through a pari-mutuel or other similar system. The tax shall be an amount equal to four percent of all money wagered during the year. A year as used herein shall begin at 12:01 A.M. July 1 and end at 12 midnight June 30.

Section 2. Section 138.515 of the Kentucky Revised Statutes is amended to read as follows:

The commission, including the tax levied in KRS 138.510, deducted from the gross amount wagered by the person, corporation or association which operates a running horse race track at which betting is conducted through a pari-mutuel or other similar system shall not exceed *fifteen* [fourteen] percent of the gross amount handled, and the breaks, which breaks shall be made and calculated to the dime.

Section 3. This Act shall become effective July 1, 1970.

Senate Message

Announcing passage of **SB 152, SB 182, SB 191, SB 89, SB 92, SB 192, SB 212, SB 213** and **SB 186.**

Announcing passage of **HB 183, HB 111, HB 26** and **HB 10.**

Representative McBrayer moved that the Rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 553, by Representative Roberts: AN ACT relating to licensing of motor vehicle operators.

HB 554, by Representative Ray: AN ACT relating to minimum time to be served before parole.

HB 555, by Representatives Blythe and Wyatt: AN ACT relating to the establishment of community improvement districts with the power to tax and to promote governmental projects; and repealing KRS 66.550 to 66.580, inclusive.

HB 556, by Representative Lewis: AN ACT relating to the occupational license tax for schools.

The Speaker announced at the Sponsor's request, **HB 459** is being taken from the Committee on Public Utilities and Transportation and referred to the Committee on Appropriations and Revenue.

Representative W. J. Reynolds filed a floor amendment to **HB 272.**

Representative Swinford filed a floor amendment to **HB 498.**

Calendar

HB 414, HB 402, HB 383, HB 264, HB 354, HB 123, HB 206, HB 98, HB 61, HB 81 and **HB 41** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Report on Enrolled Bills

The Committee on Enrollment reported **HR 16, HB 212** and **HB 32** had been examined and found correctly enrolled. **HR 16, HB 212** and **HB 32** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Report of Committees (Continued)

The Committee on Rules reported **HB 222** with Committee Amendment attached thereto, **HB 311, SB 28, HB 62, HB 125, SB 197, HB 223** with Committee Amendment attached thereto, **HB 250, HB 251** with Committee Amendment attached thereto, **HB 286, HB 288, HB 382, HB 387, HB 390, HB 464, HR 45** with Committee Amendment attached thereto, **HR 48, SB 61** and **SB 112** with Committee Amendment attached thereto, have been posted for passage in Orders of the Day, February 24, 1970.

The Committee on Rules reported **HB 48,** with Committee Amendment attached thereto, has been recommitted to the Committee on Appropriations and Revenue for study of revenue implications.

Reference of Bills and Resolutions

Agriculture and Natural Resources: **HB 521, SB 67.**

Appropriations and Revenue: **HB 513, HB 515, HB 517, HB 522, HB 526, HB 528.**

Banking and Insurance: **HB 518, HB 542, SB 206.**

Business Organizations and Professions: **SB 76.**

Cities: **HB 509.**

Counties and Special Districts: **HB 510, HB 516, SB 30.**

Education: **HB 519, HB 529, HB 535, HB 541, HR 55, HR 56.**

Health and Welfare: **HB 523, HB 527, HB 530, HB 533, HB 540, SB 193.**

Highways and Traffic Safety: **HB 506, HB 536.**

Judiciary: **HB 507, HB 511, HB 512, HB 514, HB 520, HB 532, HB 537, HB 538, HB 539, SB 138, SB 172, SB 176.**

Labor and Industry: **HB 508.**

Public Utilities and Transportation: **SB 86.**

State Government: **HB 524, HB 525, HB 531, HB 534, HR 59, SB 90.**

Rules: **HR 52, HR 53, HR 54.**

Orders of the Day

HB 159 taken from Orders of the Day and ordered read at length for the third time. Representative Hughes moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 81—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carroll, Chapman, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O.

Hardin, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Rattliff, Ray, Reed, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 159 was passed and the title agreed to.

Representative Hughes moved that the vote by which **HB 159** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Hughes moved that consideration of **HB 272, HB 112, HB 304, HB 65, HB 211** and **HB 95** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 172 taken from Orders of the Day and ordered read at length for the third time. Representative Hughes moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 44—Arnett, Blandford, Blume, Edward G. Brown, Carroll, Carter, Chapman, Clarke, Conn, Curlin, Donnermeyer, Graves, John O. Hardin, Hughes, Isler, Keene, Kenton, Kidd, Lewis, McBrayer, McBride, McCann, Mershon, Miller, Mitchell, Murphy, Nett, Parish, Paxton, Peak, Prather, Ray, Reed, W. J. Reynolds, Rickert, Roberts, Ruh, Siemens, Swinford, Wenz, Glenn White, Wible, Wyatt, Yocom. Nays 39—Allen, Baker, Bartley, Bleemel, Blythe, H. Brown, Clapp, W. Davis, DeMarcus, Deskins, Durham, Floyd, Freeman, L. Hardin, Hinkle, Holloway, Huff, Keith, Kessinger, King, Knuckles, Lindsay, Louden, McKinney, McNamara, May, Osborne, Pollitte, Salyers, Schmidt, Sharpe, Simmons, Stuart, Tobin, Van Horn, Wells, West, J. White, Wright.

HB 172 was passed and the title agreed to.

Representative Hughes moved that the vote by which **HB 172** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 186, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative Hughes moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stuart moved the adoption of the Committee Amendment to **HB 186.** Agreed.

Representative Stuart moved that consideration of **HB 186** as amended be deferred and that it retain its position in Orders of the Day. Agreed.

HB 226 taken from Orders of the Day and ordered read at length for the third time. Representative Hughes moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Rattliff, Ray, Reed, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 226 was passed and the title agreed to.

Representative Hughes moved that the vote by which **HB 226** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Hughes moved that consideration of **HB 275** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 303, with Committee Substitute attached thereto and Committee Amendment to the Committee Substitute for **HB 303,**

taken from Orders of the Day and ordered read at length for the third time. Representative Hughes moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Yocom moved the adoption of the Committee Substitute for **HB 303**. Agreed.

Representative Yocom moved the adoption of the Committee Amendment to the Committee Substitute for **HB 303**. Agreed.

On the roll call the vote was yeas 71—Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Carroll, Carter, Chapman, Clapp, Clarke, Conn, Curlin, DeMarcus, Deskins, Donnermeyer, Dorris, Freeman, Graves, Haney, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Lovins, McCann, McNamara, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Ray, Reed, W. J. Reynolds, Rickert, Roberts, Salyers, Schmidt, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 4—H. Brown, Floyd, McKinney, Wright.

HB 303, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative Hughes moved that the vote by which **HB 303,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Hughes moved that consideration of **HB 360** be deferred and that it retain its position in Orders of the Day. Agreed.

SB 10 taken from Orders of the Day and ordered read at length for the third time. Representative Hughes moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 65—Alexander, Allen, Arnett, Blandford, Bleemel, Blume, Blythe, Edward G. Brown,

Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Conn, Curlin, Deskins, Donnermeyer, Dorris, Graves, Haney, John O. Hardin, Hinkle, Holloway, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, May, Mershon, Miller, Mitchell, Nett, Parish, Paxton, Peak, Pollitte, Prather, Ray, Reed, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Siemens, Swinford, Tobin, Van Horn, Wells, Glenn White, Wible, Wright, Wyatt. Nays 16—Baker, H. Brown, J. Davis, W. Davis, DeMarcus, Floyd, Freeman, Huff, Keith, Knuckles, Osborne, Rattliff, Schmidt, Stuart, Wenz, West.

SB 10 was passed and the title agreed to.

Representative Hughes moved that the vote by which **SB 10** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 66 taken from Orders of the Day and ordered read at length for the third time. Representative Hughes moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 86—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Rattliff, Ray, Reed, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

SB 66 was passed and the title agreed to.

Representative Hughes moved that the vote by which **SB 66** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 304 taken from Orders of the Day and ordered read at length for the third time. Representative Hughes moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 19—Blume, Conn, Donnermeyer, Isler, Kidd, Kleier, Louden, McBride, Massey, Mershon, Murphy, Nett, Osborne, Ray, Schmidt, Siemens, Glenn White, Wyatt, Yocom. Nays 56—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, H. Brown, Bruce, Carroll, Carter, Chapman, Clapp, Curlin, J. A. Davis, W. Davis, DeMarcus, Deskins, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. Hardin, Hinkle, Holloway, Huff, Hughes, Keith, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McNamara, May, Parish, Paxton, Peak, Pollitte, Prather, Rattliff, Reed, W. J. Reynolds, Rickert, Salyers, Sharpe, Simmons, Tobin, Van Horn, Wells, Wenz, West, J. White, Wible, Wright.

HB 304 was defeated.

Representative Rickert moved that the Rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 557, by Representatives Lewis and Parish: AN ACT relating to practical nurses.

HB 558, by Representative DeMarcus: AN ACT relating to public assistance.

HB 559, by Representative Lewis: AN ACT relating to county reapportionment.

HB 560, by Representative Lewis: AN ACT relating to workmen's compensation.

HB 561, by Representative Lewis: AN ACT relating to workmen's compensation.

HB 562, by Representatives Louden, Wells, Freeman, Alexander, Keith and Hughes: AN ACT relating to an excise tax on newspapers.

HB 563, by Representative King: AN ACT relating to parimutuel betting.

HB 564, by Representative King: AN ACT relating to race tracks and trotting tracks.

HJR 63, by Representatives Rickert, J. Hardin, Schmidt, Keene, Peak, Lindsay, Tobin, Lewis, Huff, Stuart, Mershon, Murphy, Kenton, Clarke, Chapman, King, Haney, Prather, Siemens, Yocom, Clapp, Rattliff, Dorris, Ruh, Reed, J. E. White, Kleier, McKinney, Paxton, Carter, Parish, Hughes, Wenz, Simmons, Blandford, Graves, Donnermeyer, Wells, E. G. Brown, Keith, Alexander, Louden, Mitchell, W. Davis, W. J. Reynolds, Miller, Hinkle, McNamara, Durham, May, Deskins, Wible and Swinford: A JOINT RESOLUTION petitioning the Secretary of Transportation of the United States to redefine the time zone lines affecting Indiana and Kentucky, and requesting and petitioning the Governor of the Commonwealth of Kentucky and each of the members of Kentucky's U. S. Congressional delegation to use their best efforts to accomplish the redefinition of the boundary line between the eastern and central time zones in Indiana and Kentucky by the proper authorities in the federal government.

Announcements

Representative J. Hardin filed an amendment to **HB 186.**

The Clerk announced the following Bills and Resolutions were posted for consideration:

State Government: **HB 243, HB 400.** (Room 402, February 25, 1970, fifteen minutes after adjournment)

Public Utilities and Transportation: **HB 416, HB 351, HB 161, HB 322, HB 500.** (Room 402, February 25, 1970, 9:30 a.m.)

Banking and Insurance: **HB 518, HB 542, HB 85.** (Room 401, February 24, 1970, 1:30 p.m.)

Labor and Industry: **HB 180, HB 359, HB 318, HB 334, HB 335, HB 350, HB 508, SB 91, HB 134, HB 135.** (Room 401, February 24, 1970, on adjournment)

The Clerk announced a Special Meeting of the Committee on Education for February 24, 1970, at 1:30 p.m. in Room 403.

Representative McBrayer moved that the House adjourn until 3:00 p.m., Tuesday, February 24, 1970.

On the roll call the vote was yeas 49—Allen, Baker, Bruce, Clarke, Conn, Curlin, James A. Davis, Donnermeyer, Freeman, Graves, Haney, John O. Hardin, Hinkle, Huff, Hughes, Isler, Keene, Kenton, Kidd, King, Kleier, Lindsay, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Reed, Rickert, Salyers, Schmidt, Stuart, Tobin, Van Horn, Wenz, Glenn White, John E. White, Wright, Wyatt. Nays 3—Alexander, Keith, Louden.

The motion to adjourn was adopted.

TUESDAY, FEBRUARY 24, 1970

THIRTY-NINTH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Father David Zaumeyer, Church of the Good Shepherd, Frankfort.

The roll was called. All present except Representative McGill.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 20, 1970, be dispensed with and the same approved. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 10, HB 26, HB 183** and **HB 111** had been examined and found correctly enrolled. **HB 10, HB 26, HB 183** and **HB 111** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 10, HB 26, HB 183, HB 111, HR 16, HB 212 and **HB 32** delivered, signed by President. Ordered delivered to the Governor.

Introduction of Bills and Resolutions

HB 565, by Representative Wyatt: AN ACT relating to wildlife sanctuaries.

HB 566, by Representative DeMarcus: AN ACT relating to Kentucky Commission on Children and Youth.

HB 567, by Representative DeMarcus: AN ACT relating to closing roads, streets or public ways.

HB 568, by Representative Reed: AN ACT relating to solid waste disposal.

HB 569, by Representative Hinkle: AN ACT relating to teachers.

HB 570, by Representative Van Horn: AN ACT repealing the statute which prohibits possession or use of radio capable of sending or receiving police messages.

HB 571, by Representatives McCann, Kenton and Peak: AN ACT relating to taxing authority of cities.

HB 572, by Representatives Kleier and Yocom: AN ACT relating to narcotic drugs and dangerous drugs.

HB 573, by Representative Yocom: AN ACT relating to libel and slander.

HB 574, by Representative Rickert: AN ACT relating to registration of franchisors.

HB 575, by Representatives Kenton, McCann and Peak: AN ACT relating to the University of Kentucky Board of Trustees.

HB 576, by Representatives Kenton, Wyatt, Miller, Chapman, Mershon and Isler: AN ACT relating to police judges in cities of the second class.

HB 577, by Representatives Kenton, Deskins, Wyatt, Wenz, Conn, Louden, Clapp, Wible, Alexander, Van Horn, Graves, Head, Mershon, Chapman, Haney, Reed, Ruh, Massey, May, Salyers, Bartley, McBrayer, Arnett, Kidd, G. White, Yocom, Hinkle, Allen, Lewis, Donnermeyer, Murphy, Nett, Freeman, Carter, King and Kleier: AN ACT relating to farming and establishing the Kentucky Farm Development Authority.

HB 578, by Representatives Conn, Blume and Yocom: AN ACT relating to private employment services.

HR 64, by Representatives Peak, Kenton, Van Horn and McCann: A RESOLUTION honoring the 1969-70 Southeastern Conference Basketball Champions.

HJR 65, by Representative Schmidt: A JOINT RESOLUTION creating a Legislative Transportation Study Committee.

Report of Committees

The Committee on Rules reported **SB 65, HB 123, HB 239** with Committee Amendment attached thereto, **HB 383, HB 402, HR 52, HR 53** and **HR 54** have been posted for passage in Orders of the Day, February 25, 1970.

The Committee on Rules reported **HR 62** has been posted for passage in Orders of the Day, February 24, 1970.

The Committee on Rules reported **HB 206** has been recommitted to the Committee on Appropriations and Revenue for study of fiscal implications.

The Committee on Appropriations and Revenue reported **HB 79**, with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 79, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 132.590 of the Kentucky Revised Statutes is amended to read as follows:

(1) The compensation of the county *property valuation administrator* [tax commissioner] except as provided in paragraphs (a), (b), (c), [and] (d), *(e) and (f)* of subsection (5) of this section shall be computed on the basis of *five* [ten] cents on each one hundred dollars of the first *ten* [four and one-half] million dollars and *five-eighths* [one-half] of one cent on each one hundred dollars of the excess over *ten* [four and one-half] million dollars of the annual assessment. However, each county *property valuation administrator* [tax commissioner] shall receive a minimum monthly payment of *$400* [$350] as part or all of his compensation. Should a county *property valuation administrator* [tax commissioner] for any reason vacate the office in any year during his term of office, any fees accruing to the office as compensation for the county *property valuation administrator* [tax commissioner] shall be prorated and the *administrator* [commissioner] shall be paid only for the calendar days actually served during the year.

(2) The county *property valuation administrator's* [tax commissioner's] office shall be allowed by the state as compensation for deputies, other authorized personnel, and for other authorized expenditures, one *and one-fourth* cents on each one hundred dollars of the property assessed, exclusive of livestock and farm machinery; but the total sum allowed any county *property valuation administrator's* [tax commissioner's] office as compensation for deputies, other authorized personnel, and for other authorized expenditures shall not exceed *thirty-one* [twenty-five] thousand *two hundred and fifty* dollars in any county except in a county having a city of the first or second class, which shall be governed by KRS 132.630; however, each county *property valuation administrator's* [tax commissioner's] office shall be allowed a minimum of $3000 annually, including local contributions for the assessment, for the compensation of deputies, other authorized personnel and for other authorized expenditures. Each county *property valuation administrator* [tax commissioner] may appoint any persons approved by the Department of Revenue to assist him in the discharge of his duties. Each deputy must be more than twenty-one years of age and may be removed at the pleasure of the county *property valuation administrator* [tax commissioner]. The salaries of deputies and other authorized personnel shall be fixed by the county *property valuation administrator* [tax commissioner] and shall be subject to the approval of the Department of Revenue. No deputy county *property valuation administrator* [tax commissioner] employed, or promoted to a higher position shall be approved for compensation from any funds derived from any taxing jurisdiction or jurisdictions in excess of $3600 in any one calendar year, without having qualified by examination, said examination to be prepared and administered by the Department of Revenue in accordance with standards of the Department of Personnel, for the position to which he is being appointed or promoted. No state funds available to any county *property valuation administrator's* [tax commissioner's] office as compensation for deputies and other authorized personnel or for other authorized expenditures shall be paid without authorization of the Department of Revenue, prior to the employment by the *property valuation administrator* [tax commissioner] of deputies or other authorized personnel or the incurring of other authorized expenditures.

(3) Each county fiscal court shall annually appropriate and pay each fiscal year to the office of the county *property valuation administrator* [tax commissioner] for deputy and other personnel allowance, supplies, maps and equipment, travel allowance for the *property valuation administrator* [tax commissioner] and his deputies and other authorized personnel, and other authorized expenses of the office, $200 for the first million dollars of assessment and one-fourth of one cent for each hundred dollars of assessment in excess of one million dollars; but the total sum to be paid by the fiscal court to any county *property valuation administrator's* [tax commissioner's] office shall not exceed $20,000 except in a county having a city of the first or second class, which shall be governed by KRS 132.630. This allowance shall be based on the assessment as of the previous January 1.

(4) Each county *property valuation administrator* [tax commissioner] shall at the end of each month file a claim with the fiscal court for the salaries of his deputies, other personnel, and other expenses of his office incurred during the month which are reimbursable from county funds. The court shall order payment made provided the total of all claims filed with the court does not exceed the total sum available under this section. The county *property valuation administrator* [tax commissioner] shall maintain a payroll record of all employes compensated from local funds derived from any taxing jurisdiction, file such record with the Department of Revenue and pay all funds withheld from employes compensation for federal FICA taxes, federal income taxes, state income taxes, state employes retirement, and all other required deductions by the fifth day following the end of each month. During county election years the county *property valuation administrator* [tax commissioner] shall not be allowed to expend in excess of forty percent of the allowances available to his office from county funds during the first five months of the fiscal year in which the general election is held.

(5) The county *property valuation administrator* [tax commissioner] shall not receive for his personal services, incident to any assessment, as an annual salary more than $9,600 in any calendar year, except in a county having a city of the first or second class *or an assessment in excess of 83.6 million dollars* which shall be governed as follows:

(a) The annual salary of the county *property valuation administrator* [tax commissioner] in a county having a city of the first class and an assessment in excess of five billion dollars shall be classified in grade *twenty-two* [nineteen] of the state personnel classification system in effect January 1, *1970* [1968].

(b) The annual salary of the county *property valuation administrator* [tax commissioner] in a county having a city of the *first or* second class and an assessment in excess of one *and one-half* billion dollars *but less than five billion dollars* shall be classified in grade *twenty-one* [eighteen] of the state personnel classification system in effect January 1, *1970* [1968].

(c) The annual salary of the county *property valuation administrator* [tax commissioner] in a county having a city of the second class and an assessment between five hundred million and one *and one-half* billion dollars shall be classified in grade *twenty* [seventeen] of the state personnel classification system in effect January 1, *1970* [1968].

(d) The annual salary of the county *property valuation administrator* [tax commissioner] in a county having [a city of the second class and] an assessment less than five hundred million dollars *but in excess of two hundred million dollars* shall be classified in grade *nineteen* [sixteen] of the state personnel classification system in effect January 1, *1970* [1968]. [The annual salary of a county tax commissioner whose salary is determined by the provisions of paragraphs (a), (b), (c), or (d) of this subsection shall not be less than the maximum salary provided for all other county tax commissioners.]

(e) The annual salary of the county property valuation administrator in a county having an assessment less than two hundred million dollars but in excess of one hundred and twenty-five million dollars shall be classified in grade eighteen of the state personnel classification system in effect January 1, 1970.

(f) The annual salary of the county property valuation administrator in a county having an assessment less than one hundred and twenty-five million dollars but in excess of 83.6 million dollars shall be classified in grade seventeen of the state personnel classification system in effect January 1, 1970.

(g) [(e)] The provisions of this section shall be computed on the *1970* [1968] assessment and on each annual assessment thereafter.

(h) The annual salary of a county property valuation administrator whose salary is determined by the provisions of paragraphs (a), (b), (c), (d), (e) or (f) of this subsection shall not be less, due to a change in grade classification, than the annual salary received for the previous year plus one additional step within the grade classification for that prior year.

(i) [(f)] *Property valuation administrators* [Tax commissioners] compensated in accordance with paragraphs (a), (b), (c), [and] (d), *(e) and (f)* of this subsection shall be advanced in grade in accordance with the rules and regulations of the Department of Personnel.

Committee Substitute, HB 79, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 132.590 of the Kentucky Revised Statutes is amended to read as follows:

(1) The compensation of the property valuation administrator except as provided in paragraphs (a), (b), (c), and (d) of subsection (5) of this section shall be computed on the basis of ten cents on each one hundred dollars of the first *five* [four and one-half] million dollars, [and] one-half of one cent on each one hundred dollars of the next *ninety-five million dollars, and one quarter of one cent on each one hundred dollars of the* excess over *one hundred* [four and one-half] million dollars of the annual assessment. However, each property valuation administrator shall receive a minimum monthly payment of *$400* [350] as part or all of his compensation. Should a property valuation administrator for any reason vacate the office in any year during his term of office, any fees accruing to the office as compensation for the property valuation administrator shall be prorated and the administrator shall be paid only for the calendar days actually served during the year.

(2) The property valuation administrator's office shall be

allowed by the state as compensation for deputies, other authorized personnel, and for other authorized expenditures, one cent on each one hundred dollars of the property assessed, exclusive of livestock and farm machinery; but the total sum allowed any property valuation administrator's office as compensation for deputies, other authorized personnel, and for other authorized expenditures shall not exceed twenty-five thousand dollars in any county except in a county having a city of the first or second class, which shall be governed by KRS 132.630; however, each property valuation administrator's office shall be allowed a minimum of $3,000 annually, including local contributions for the assessment, for the compensation of deputies, other authorized personnel, and for other authorized expenditures. Each property valuation administrator may appoint any persons approved by the Department of Revenue to assist him in the discharge of his duties. Each deputy must be more than twenty-one years of age and may be removed at the pleasure of the property valuation administrator. The salaries of deputies and other authorized personnel shall be fixed by the property valuation administrator and shall be subject to the approval of the Department of Revenue. No deputy property valuation administrator employed, or promoted to a higher position shall be approved for compensation from any funds derived from any taxing jurisdiction or jurisdictions in excess of $3,600 in any one calendar year, without having qualified by examination, said examination to be prepared and administered by the Department of Revenue in accordance with standards of the Department of Personnel, for the position to which he is being appointed or promoted. No state funds available to any property valuation administrator's office as compensation for deputies and other authorized personnel or for other authorized expenditures shall be paid without authorization of the Department of Revenue, prior to the employment by the valuation administrator of deputies or other authorized personnel or the incurring of other authorized expenditures.

(3) Each county fiscal court shall annually appropriate and pay each fiscal year to the office of the property valuation administrator for deputy and other personnel allowance, supplies, maps and equipment, travel allowance for the valuation administrator and his deputies and other authorized personnel,

and other authorized expenses of the office, $200 for the first million dollars of assessment and one-fourth of one cent for each hundred dollars of assessment in excess of one million dollars *exclusive of livestock and farm machinery;* but the total sum to be paid by the fiscal court to any property valuation administrator's office shall not exceed $20,000 except in a county having a city of the first or second class, which shall be governed by KRS 132.630. This allowance shall be based on the assessment as of the previous January 1.

(4) Each property valuation administrator shall at the end of each month file a claim with the fiscal court for the salaries of his deputies, other personnel, and other expenses of his office incurred during the month which are reimbursable from county funds. The court shall order payment made provided the total of all claims filed with the court does not exceed the total sum available under this section. *Copies of all claims filed under the provisions of this section and KRS 132.285 (1) (c) shall be filed with the Department of Revenue.* The property valuation administrator shall maintain a payroll record of all employes compensated from local funds derived from any taxing jurisdiction, file such record with the Department of Revenue and pay all funds withheld from employes compensation for federal FICA taxes, federal income taxes, state income taxes, state employes retirement, and all other required deductions by the fifth day following the end of each month. During county election years the property valuation administrator shall not be allowed to expend in excess of forty percent of the allowances available to his office from county funds during the first five months of the fiscal year in which the general election is held.

(5) The property valuation administrator shall not receive for his personal services, incident to any assessment, as an annual salary more than *$12,500* [9,600] in any calendar year, except in a county having *an assessment in excess of two hundred ten million dollars excluding livestock and farm machinery* [a city of the first or second class] which shall be governed as follows:

(a) The annual salary of the property valuation administrator in a county having an assessment in excess of two billion dollars shall be classified in grade twenty of the state personnel system in effect January 1, 1968.

(b) [(a)] The annual salary of the property valuation administrator in a county having [a city of the first class and] an assessment *between four hundred million and two* [in excess of five] billion dollars shall be classified in grade nineteen of the state personnel classification system in effect January 1, 1968.

(c) [(b)] The annual salary of the property valuation administrator in a county having [a city of the second class and] an assessment *between two hundred fifty million and four hundred million* [in excess of one billion] dollars shall be classified in grade eighteen of the state personnel classification system in effect January 1, 1968.

(d) [(c)] The annual salary of the property valuation administrator in a county having [a city of the second class and] an assessment between *two hundred ten* [five hundred] million and *two hundred fifty million* [one billion] dollars shall be classified in grade seventeen of the state personnel classification system in effect January 1, 1968.

(e) [(d)] The annual salary of the property valuation administrator in a county having a city of the second class *shall not be less than $12,500.* [and an assessment less than five hundred million dollars shall be classified in grade sixteen of the state personnel classification system in effect January 1, 1968.] The annual salary of a property valuation administrator whose salary is determined by the provisions of paragraphs (a), (b), (c), or (d) of this subsection shall not be less than the maximum salary provided for all other property valuation administrators.

(f) The assessment of livestock and farm machinery shall be excluded in determining the grade classification under the provisions of paragraphs (a), (b), (c), or (d) of this subsection.

(g) [(e)] The provisions of this section shall be computed on the *1970* [1968] assessment and on each annual assessment thereafter.

(h) [(f)] Valuation administrators compensated in accordance with paragraphs (a), (b), (c), and (d) of this subsection shall be advanced in grade in accordance with the rules and regulations of the Department of Personnel.

The Committee on Education reported **HB 363,** with Committee Amendment attached thereto, with the expression of

opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 363, AN ACT relating to differentiated salaries for teachers during the 1970-72 biennium.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 157.420 of the Kentucky Revised Statutes is amended to read as follows:

Public school foundation program funds made available to the credit of each district during any year, together with the funds required from local tax effort, shall be received, held and expended by the district board, subject to the provisions of law and regulations of the State Board of Education. The following restrictions shall govern the expenditure of funds from the public school foundation program fund:

(1) The teachers' salaries allotment for each district from the public school foundation program fund and from local sources shall be used only for teachers holding properly authorized certificates. The average salary paid any rank of teachers shall be at least equivalent to the public school foundation program fund allotment for that rank as established in subsection (2) of KRS 157.390, and no teacher shall be paid less than ninety-five percent of the public school foundation program fund allotment for that rank provided, however, that no teacher in Rank III shall be paid less than *$5000* [$4500] for full-time service during the regular school year.

(2) *(a)* The State Board of Education shall not approve any working budget or salary schedule for local boards of education for any school year in which the total amount budgeted for teachers' salaries is not equal to an amount required to maintain the district's salary schedule of the preceding year plus the additional amount for teachers' salaries and guarantee received by the district.

(b) The State Board of Education shall choose not more than twenty (20) public schools to participate in experimentation under this paragraph. In such schools, any funds appropriated for classroom teachers' salaries through the Foundation Program for

the biennium 1970-72 may, at the option of the local board of education, be paid to teachers on the basis of differentiated staffing and differentiated salaries based on training, experience, school duties beyond the regular teaching day, responsibility on a staff team, responsibility for pre-professionals (student teachers and interns), responsibility for para-professionals and aides, responsibility for in-service programs within and beyond the regular school day and school term, research and other factors determined by the local board of education and approved by the State Board of Education. The criteria the local board proposes to use for differentiated salaries must be submitted for approval by the State Board of Education at the time application to participate in the program is made. However, no teacher shall receive less pay by the application of such factors than he or she would have received under Section 157.390 of the Kentucky Revised Statutes as it existed in 1968-70.

(c) All laws in conflict with paragraph 2(b) of this section shall not be applicable to this section of the law during the 1970-72 biennium.

(3) The capital outlay allotment for each district from the public school foundation program fund and from local sources shall be kept in a separate fund and may be used by the district only for capital outlay projects approved by the Superintendent of Public Instruction in accordance with requirements of law, and based on a survey made in accordance with rules and regulations prescribed by the State Board of Education. These funds shall be used for the following capital outlay purposes:

(a) For direct payment of construction costs;

(b) For debt service on voted and funding bonds;

(c) For payment or lease-rental agreements under which the board eventually will acquire ownership of a school plant;

(d) For the retirement of any deficit resulting from overexpenditure for capital construction, if such deficit resulted from an emergency declared by the State Board of Education under KRS 160.550;

(e) As a reserve fund for the above named purposes, to be carried forward in ensuing budgets; provided, however, if any district has a special levy for capital outlay or debt service that

is equal to the capital outlay allotment or a proportionate fraction thereof, and spends the proceeds of that levy for the above named purposes, the Superintendent of Public Instruction, under regulations of the State Board of Education, may authorize the district to use all or a proportionate fraction of its capital outlay allotment for current expenses.

(4) If a survey shows that a school district has no capital outlay needs as shown in paragraphs (a), (b), (c) and (d) above, upon approval of the Superintendent of Public Instruction, these funds may be used for school plant maintenance, repair, insurance on buildings, and replacement of equipment.

The Committee Amendment to **HB 363** is as follows:

Amend printed copy of House Bill 363 on page 2, line 17, by:

After the words "State Board of Education" delete "shall" and insert "with the recommendation of the Superintendent of Public Instruction may"

The Committee on Education reported **HB 52,** with Committee Amendments No. 1 and No. 2 attached thereto, with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

The Committee Amendment No. 2 to **HB 52** is as follows:

Amend printed copy of House Bill 52 on page 3, below line 4, by adding the following:

"Section 2. This Act shall become effective July 1, 1972."

The Committee on Education reported **HB 369,** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 369, AN ACT relating to the Minimum Foundation Program and the employment of para-professionals and teacher aides.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 157.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) (a) The Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree and who have earned thirty semester hours of additional approved graduate work, and those teachers who, as of September 1, 1962, were included in Rank I, having earned twenty-four semester hours of additional approved graduate work.

Rank II. Those holding regular certificates and who have a master's degree or its equivalent.

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent.

Rank IV. Those holding certificates and who have ninety-six to one hundred and twenty-eight semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank for calculation of the amount to be included in the foundation program.

Rank V. Those holding certificates and who have sixty-four to ninety-five semester hours of approved college training or the equivalent.

Rank VI. Those holding certificates and who have thirty-two to sixty-three semester hours of approved college training or the equivalent; provided, however, that effective July 1, 1965, no teacher in Rank VI shall be included in calculating the amount to be included in the foundation program.

Rank VII. Those holding certificates and who have fewer than thirty-two semester hours of approved college training or the equivalent; provided, however, that effective July 1, 1964, no teacher in Rank VII shall be included in calculating the amount to be included in the foundation program.

(b) In determining ranks, the Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers who hold valid certificates in the respec-

tive ranks according to approved college semester hours of credit. The Superintendent of Public Instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and industrial experience.

(2) *(a)* The amount to be included in *each* [the 1968-69] school year in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the *budget* [following] schedule for each rank. [:]

	Rank				
[Experience	I	II	III	IV	V
0-3 Years	$5950	$5550	$5150	$2900	$2600
4-9 Years	6550	6150	5750	2900	2600
10 Years & Over	6900	6500	6100	2900	2600

Beginning with the school year 1969-70, the amount to be included in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule for each rank:

	Rank				
Experience	I	II	III	IV	V
0-3 Years	$6125	$5675	$5225	$2900	$2600
4-9 Years	7025	6575	6125	2900	2600
10 Years & Over	7550	7100	6650	2900	2600]

Provided, the amount to be included for vocational units, supervisory units, and units for administrators, directors of pupil personnel and special instructional services shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the Superintendent of Public Instruction under regulations of the State Board of Education. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio

that the number of teachers actually in each rank is to the total number of teachers employed.

(b) For the school years 1970-72 the State Board of Education may designate not more than ten (10) districts as Experimental Districts. In experimental districts, foundation program fund calculations shall include, with respect to one or more schools in the district, designated as above, an amount for para-professionals and teacher aides not holding certificates. This amount shall be equal to forty (40) percent of the amount included for a teacher in Rank III with no experience, multiplied by the number of such para-professionals and teacher aides employed in the designated school or schools.

(c) Such amounts may be included only for those not holding certificates who are not in sole and principal charge of a class. No district may receive foundation program funds for such number of para-professionals and teacher aides referred to in paragraph (2) (b) as exceeds one-half (½) the number of certificated teachers in the designated school or schools.

(d) In the calculation of classroom units for the purpose of allocation of teachers' salaries only, the State Board of Education may use a ratio greater than twenty-seven to one for such calculations regarding the Experimental Districts designated pursuant to KRS 157.390 (2) (b).

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by *the amounts set forth in the biennial budget* [one thousand one hundred dollars for school year 1968-69 and by one thousand four hundred dollars for school year 1969-70].

(4) The amount to be included in the foundation program for capital outlay shall be determined by multiplying the number of classroom units by *the amounts set forth in the biennial budget* [seven hundred dollars for school year 1968-69 and by one thousand two hundred dollars for school year 1969-70].

(5) The amount to be included in the foundation program of each district for transportation shall be determined by multiplying the aggregate attendance of transported children by the

allowable cost per pupil per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total cost of the foundation program for each district shall be the sum of the allotments in subsections (2), (3), (4), and (5) of this section.

Section 2. Section 157.420 of the Kentucky Revised Statutes is amended to read as follows:

Public school foundation program funds made available to the credit of each district during any year, together with the funds required from local tax effort, shall be received, held and expended by the district board, subject to the provisions of law and regulations of the State Board of Education.

The following restrictions shall govern the expenditure of funds from the public school foundation program fund:

(1) The teachers' salaries allotment for each district from the public school foundation program fund and from local sources shall be used only for teachers holding properly authorized certificates. The average salary paid any rank of teachers shall be at least equivalent to the public school foundation program fund allotment for that rank as established in subsection (2) of KRS 157.390, and no teacher shall be paid less than ninety-five per cent of the public school foundation program fund allotment for that rank provided, however, that no teacher in Rank III shall be paid less than *$5000* [$4500] for full-time service during the regular school year. *This paragraph shall not apply to non-certificated personnel in Experimental Districts designated pursuant to KRS 157.390 (2) (b).*

(2) The State Board of Education shall not approve any working budget or salary schedule for local boards of education for any school year in which the total amount budgeted for teachers' salaries is not equal to an amount required to maintain the district's salary schedule of the preceding year plus the additional amount for teachers' salaries and guarantee received by the district.

(3) The capital outlay allotment for each district from the public school foundation program fund and from local sources shall be kept in a separate fund and may be used by the district

only for capital outlay projects approved by the Superintendent of Public Instruction in accordance with requirements of law, and based on a survey made in accordance with rules and regulations prescribed by the State Board of Education. These funds shall be used for the following capital outlay purposes:

(a) For direct payment of construction costs;

(b) For debt service on voted and funding bonds;

(c) For payment or lease-rental agreements under which the board eventually will acquire ownership of a school plant;

(d) For the retirement of any deficit resulting from over-expenditure for capital construction, if such deficit resulted from an emergency declared by the State Board of Education under KRS 160.550;

(e) As a reserve fund for the above named purposes, to be carried forward in ensuing budgets; provided, however, if any district has a special levy for capital outlay or debt service that is equal to the capital outlay allotment or a proportionate fraction thereof, and spends the proceeds of that levy for the above named purposes, the Superintendent of Public Instruction under regulations of the State Board of Education, may authorize the district to use all or a proportionate fraction of its capital outlay allotment for current expenses.

(4) If a survey shows that a school district has no capital outlay needs as shown in paragraphs (a), (b), (c), and (d) above, upon approval of the Superintendent of Public Instruction, these funds may be used for school plant maintenance, repair, insurance on buildings, and replacement of equipment.

The Committee Amendment to **HB 369** is as follows:

Amend printed copy of House Bill 369 on page 3, line 8, by:

After the words "set forth in the" insert the word "biennial"

Page 4 – Lines 10 and 11

after the words "State Board of Education" insert the words "with the recommendation of the Superintendent of Public Instruction"

Line 16

delete the word "shall" and insert the word "may"

Lines 20 and 21
delete "not holding certificates"

The Committee on Education reported **HB 364**, with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

Committee Substitute, HB 364, AN ACT relating to textbooks and materials for experimental purposes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 156.447 of the Kentucky Revised Statutes is amended to read as follows:

(1) The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, may authorize school districts for instructional experimentation to select and use textbooks *and materials* other than those selected and listed by the State Textbook Commission and adopted by adoption units. *For the purpose of purchasing such experimental textbooks and materials the Superintendent of Public Instruction shall make available to all school districts, an amount of money equal to that which would have been provided to the districts had they adopted a text selected and listed by the State Textbook Commission. However, in no case shall the amount of funds thus made available exceed one-tenth of the total funds for textbooks and materials made available to the district by the Superintendent of Public Instruction.*

(2) Local school districts may purchase supplementary textbooks and materials in accordance with regulations adopted by the State Board of Education upon the recommendation of the State Superintendent of Public Instruction. [Before subjects for experimentation are offered and taught to the pupils in the state public schools, such subjects shall have been approved by the State Board of Education, upon the recommendation of the Superintendent of Public Instruction. The selected textbooks by the school districts shall be approved by the State Textbook Commission as regards to size, paper, binding, print, illustration, subject matter, and the retail, lowest wholesale, and exchange

prices before the books are used by the public schools. The purchase, distribution, and use of such books shall be by the same procedures as that for other textbooks for said subjects and grades.]

The Committee on Appropriations and Revenue reported **HB 82** with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

Calendar

HB 353, HB 465, HB 478, HB 483, HB 491, HB 444, HB 418, HB 370, HB 319, HB 317, HB 281, HB 260, HB 237, HB 217, HB 220, HB 145, HB 118, SB 198, SB 132, SB 115 and **SB 34** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

Representative Yocom filed a floor amendment to **HB 275.**

Representative Peak moved the adoption of the following **HR 64:**

HR 64, A RESOLUTION honoring the 1969-70 Southeastern Conference Basketball Champions.

WHEREAS, Coach Adolph Rupp, his staff and the University of Kentucky basketball team have won the Southeastern Conference Championship; and

WHEREAS, the members of the 1969-70 team composed of Jim Dinwiddie, Kent Hollenbeck, Dan Issel, Stan Key, Art Laib, Terry Mills, Randy Noll, Tom Parker, Mike Pratt, Mark Soderberg, Larry Steele, and Clint Wheeler have exemplified superior skill and dedication; and

WHEREAS, Coach Rupp and his teams have won twenty-five conference championships; and

WHEREAS, Coach Rupp and his teams have won four National Collegiate Athletic Championships and the "Wildcats" hold an all-time record of seventeen appearances in the national classic; and

WHEREAS, Coach Rupp and his teams have won over 82 percent of the games played against major competition; and

WHEREAS, Coach Rupp is recognized as the winningest coach of all times; and

WHEREAS, the University of Kentucky basketball teams, under Coach Rupp, have brought world wide recognition to the Commonwealth of Kentucky; and

WHEREAS, the University of Kentucky basketball teams have brought to thousands of Kentuckians, everywhere, a great feeling of pride and pleasure;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

1. That this House of Representatives, speaking for all Kentuckians, congratulates and commends the coach, the staff and the players for their excellent record.

2. That all Kentuckians whole heartedly support them in their efforts to again win the National Collegiate Athletic Association title.

3. That the Clerk is directed to send copies of this resolution to Dr. Otis Singletary, President of the University of Kentucky, Athletic Director Harry Lancaster and to Coach Adolph Rupp.

Agreed.

The Speaker announced that **HB 211** has been recommitted to the Committee on Judiciary at the request of the sponsor.

The Speaker announced that **HB 272** has been recommitted to the Committee on Labor and Industry at the request of the sponsor.

Orders of the Day

Representative McBrayer moved that consideration of **HB 272, HB 112, HB 65, HB 211** and **HB 95** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 186 as amended taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stuart moved the adoption of the following Amendment No. 2 to **HB 186**:

Amend printed copy of House Bill 186 on page 2, line 5, by: deleting the word "permitted," and following the word "caddy" by deleting the period and adding the words "for hire."

Agreed.

On the roll call the vote was yeas 90—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 186 as amended was passed and the title agreed to.

Representative Stuart moved that the vote by which **HB 186** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 275** and **HB 360** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 222, with Committee Amendment attached thereto,

taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative J. Hardin moved the adoption of the Committee Amendment to **HB 222**. Agreed.

On the roll call the vote was yeas 84—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 1—Kleier.

HB 222 as amended was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 222** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 311** and **SB 28** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 62 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 85—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes,

Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McKinney, McNamara, May, Mershon, Mitchell, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 1—Roberts.

HB 62 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 62** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 125** and **HB 223** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 250 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 90—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 250 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 250** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 251, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative White moved the adoption of the Committee Amendments to **HB 251**. Agreed.

On the roll call the vote was yeas 90—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 251 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 251** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 286 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 90—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Chapman, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer,

McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 286 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 286** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 288 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 86—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Conn, Curlin, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 288 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 288** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 382 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 82—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Collins, Conn, James A. Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Kenton, Kidd, Kleier, Knuckles, Lindsay, Louden, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 4—Blythe, King, Lewis, Roberts.

HB 382 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 382** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 387 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Conn, Curlin, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 387 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 387** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 390 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 77—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Collins, Conn, Curlin, Walter Davis, DeMarcus, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Isler, Keene, Keith, Kenton, Kidd, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 390 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 390** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 464 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Miller, Mitchell, Nett,

Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glen White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 1—Reed.

HB 464 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 464** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that **HR 45** be returned to the Committee on Agriculture. Agreed.

Representative McBrayer moved that consideration of **HR 48** be deferred and that it retain its position in Orders of the Day. Agreed.

SB 61 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 85—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Conn, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McGill, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

SB 61 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **SB 61** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 112, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lindsay moved the adoption of the Committee Amendment to **SB 112.** Agreed.

On the roll call the vote was yeas 80—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, May, Mershon, Mitchell, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Rattliff, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Salyers, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 0.

SB 112 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **SB 112** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 197 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, Massey, May, Mershon, Miller, Mitchell, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Rattliff, Ray, Russell

Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

SB 197 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **SB 197** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 62 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative McBrayer moved the adoption of **HR 62.** Agreed.

HR 62, A RESOLUTION commending national, state and local organizations of the Future Farmers of America, and recognizing the week of February 21-28 as National FFA Week.

WHEREAS, the Kentucky Association of Future Farmers of America is this year celebrating its 40th anniversary; and

WHEREAS, the week of February 21-28 has heretofore been designated by the National Organization of Future Farmers of America as National FFA Week; and

WHEREAS, this organization has rendered invaluable assistance in developing agricultural leadership, citizenship and patriotism in the youth of the Commonwealth; and

WHEREAS, this organization of students of vocational agriculture, from its founding to the present day, has rendered invaluable service in providing a vehicle for students of vocational agriculture in involvement in school and community affairs; and

WHEREAS, it is the consensus of the House of Representatives of the Commonwealth of Kentucky to recognize the Future Farmers of America in a special way;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That special tribute is paid to the Kentucky Association of Future Farmers of America and the 162 local chapters of Future Farmers of America in the Commonwealth as they celebrate National FFA Week.

Section 2. That members of this vocational education youth organization, wearing the blue and gold jackets, are commended for their contribution to Kentucky's agriculture.

Section 3. That these young people are encouraged to continue their education and leadership development in order to make more significant contributions to the betterment of their communities and the Commonwealth.

The following members requested that their names be added as co-sponsors of **HR 62**:

Representatives—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom.

Representative Roberts moved that the Rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 579, by Representative Roberts: AN ACT relating to revenue and taxation.

HB 580, by Representatives Siemens and Yocom: AN ACT relating to unemployment insurance.

Announcements

Representative Ruh filed a floor amendment to **SB 30.**

Representative Ruh filed a floor amendment to **HB 65.**

Representative Rickert announced a Special Meeting of the Committee on State Government for fifteen minutes after adjournment today in Room 211.

Representative Rickert announced a Public Hearing at 7:00 p.m., February 25, 1970 on **HB 296** and **HB 437** in the House Chamber.

The Clerk announced the following Bills and Resolutions were posted for consideration:

Agriculture and Natural Resources: **HB 92, HB 236, HB 454, HB 521, HJR 45.** (Room 401, February 25, 1970, 11:00 a.m.)

Judiciary: **HB 514, HB 532, SB 149, SB 151.** (Room 404, 30 minutes after adjournment, February 25, 1970)

Health and Welfare: **SB 51, SB 116, SB 124.** (Room 401, February 25, 1970, 10:00 a.m.)

Business Organizations and Professions: **HB 490, HB 463, HB 439, HB 324, HB 326, HB 166.** (Room 402, February 25, 1970, 11:00 a.m.)

The Clerk announced a meeting of the Committee on Banking and Insurance on adjournment today.

Representative McBrayer moved that the House adjourn until 1:00 p.m., Wednesday, February 25, 1970.

On the roll call the vote was yeas 43—Alexander, Baker, Hershel Brown, Bruce, Carter, Clarke, Conn, Walter Davis, Donnermeyer, Floyd, Freeman, John O. Hardin, Head, Hinkle, Huff, Hughes, Keith, Kenton, Kidd, Kleier, Lewis, Louden, Lovins, McBrayer, McBride, Massey, Mershon, Mitchell, Murphy, Nett, Parish, Peak, Pollitte, Prather, Reed, Rickert, Swinford, Tobin, Van Horn, Wenz, Wible, Wyatt, Yocom. Nays 2—Ray, Siemens.

The motion to adjourn was adopted.

WEDNESDAY, FEBRUARY 25, 1970

FORTIETH LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by Father David Zaumeyer, Church of the Good Shepherd, Frankfort.

The roll was called. All present except Representative McGill.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 24, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 581, by Representative McBride: AN ACT raising the compensation of petit jurors.

HB 582, by Representative McCann: AN ACT relating to unlawful arrest, imprisonment, or transportation.

HB 583, by Representative McCann: AN ACT relating to sales tax.

HB 584, by Representatives Collins, Chapman, Wheeler, Salyers, Deskins, West, T. P. Reynolds and Knuckles: AN ACT relating to excise tax on cigarettes.

HB 585, by Representatives J. White, McKinney, Freeman, L. T. Hardin, West and Huff: AN ACT to take the sense of the people on the daylight saving time question.

HB 586, by Representatives Clarke and Paxton: AN ACT relating to the reimbursement of state officers and employes for expenses incurred in the discharge of their official duties.

HB 587, by Representatives Prather, W. J. Reynolds and Blume: AN ACT relating to control of alcohol and drug abuse.

HB 588, by Representative DeMarcus: AN ACT relating to mobile home and trailer parks.

HB 589, by Representative DeMarcus: AN ACT relating to the compensation of the Commissioner of Health and subordinate employes.

HB 590, by Representatives DeMarcus and G. White: AN ACT relating to the licensing of nursing home administrators.

HB 591, by Representative DeMarcus: AN ACT relating to radiation.

HB 592, by Representative DeMarcus: AN ACT relating to venereal diseases.

HB 593, by Representative DeMarcus: AN ACT relating to hospitalization of mentally ill and mentally retarded persons.

HB 594, by Representative DeMarcus: AN ACT relating to mental health.

HB 595, by Representative Yocom: AN ACT relating to alcoholic beverage control.

HB 596, by Representative May: AN ACT relating to conveyances and encumbrances.

HB 597, by Representative Roberts: AN ACT relating to school districts.

HB 598, by Representative McBrayer: AN ACT relating to state publications.

HR 66, by Representative Isler, Ruh, Mershon, King, Roberts, Donnermeyer, Louden and Murphy: A RESOLUTION objecting to any transfer of Ohio River property belonging to Kentucky to the State of Ohio.

HR 67, by Representatives Blume, Clarke and Ray: A RESOLUTION directing a study of the Kentucky Railroad Commission.

HJR 68, by Representatives McBrayer and Curlin: A JOINT RESOLUTION relating to State Road Fund appropriations for the 1970-1972 biennium.

HJR 69, by Representative Yocom: A JOINT RESOLUTION directing the Alcoholic Beverage Control Board to comply with the United States Civil Rights Act.

Report of Committees

The Committee on State Government reported **HB 391** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 391, AN ACT relating to reporting of firearms sales to police.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Chapter 237 of the Kentucky Revised Statutes is hereby established and a new section thereof created to read as follows:

(1) Every dealer licensed under the Gun Control Act of 1968 to sell firearms, ammunition or other weapons shall cause to be executed by the purchaser of any firearm a copy of Internal Revenue Service; Alcohol, Tobacco and Firearms Division Form 4473 Part II. This form shall be sent by registered or certified mail to the chief law enforcement officer of the jurisdiction in which the purchaser resides within two working days after such sale has been completed.

(2) Any firearms dealer who violates the provisions of subsection (1) of this section shall be fined not more than $500. Each failure to submit the required form shall be deemed a separate offense.

The Committee on Labor and Industry reported **HB 180** and **HB 350** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 180, AN ACT relating to collective bargaining by public employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

The General Assembly declares that it is the policy of the Commonwealth of Kentucky and the purpose of this Act to promote cooperative relationships between government and its employes through the practice and procedures of collective bargaining for all public bodies, agencies and institutions in the state, and the representation of all public employes in the collective bargaining process through their duly chosen representatives.

Section 2. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context otherwise requires:

(1) "Commissioner" means the Commissioner of Labor of the Commonwealth of Kentucky.

(2) "Employer" means the Commonwealth of Kentucky, or any political subdivision thereof, including counties, cities, school districts, public improvement and special districts, commissions, boards and other public corporations, agencies or units of government which exercise governmental powers under the laws of the Commonwealth, and any person acting as an agent of an employer within this definition.

(3) "Employe" means any employe of an employer as defined in subsection (2), except elected officials, administrative officials, board and commission members, and members of the Kentucky National Guard.

(4) "Labor organization" means any organization or association of any kind in which employes participate and which exists for the primary purpose of representing employes in dealing with employers concerning grievances, wages, hours and other terms or conditions of employment, or for other mutual aid or protection of its members in connection with their employment.

(5) "Supervisor" means any individual having authority, in the interest of the employer, to hire, transfer, suspend, lay-off, recall, promote, discharge, assign, reward, or discipline other employes, or effectively to recommend such action.

(6) "Person" includes one or more individuals, partnerships,

associations or organizations, corporations, legal representatives, or any other agents for legal entities.

(7) "Strike" means any strike or other concerted stoppage of work by employes (including a stoppage by reason of the expiration of a collective bargaining agreement) and any concerted slowdown or other concerted interruption of operations by employes.

Section 3. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

(1) Employes have the right to self-organization, to form, join or assist labor organizations; to bargain collectively through representatives of their own choosing over questions concerning wages, hours and other conditions of employment; to engage in other forms of concerted activities for the purpose of collective bargaining or for their mutual aid or protection; and also have the right to refrain from any or all such activities, except as these rights are specifically limited or modified by other provisions of this Act.

(2) A labor organization recognized by an employer as the representative of the majority of employes in a bargaining unit or certified as the exclusive representative of such unit in accordance with the provisions of this Act, shall be responsible for representing the interests of all employes in the unit without discrimination.

Section 4. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

An employer shall bargain collectively with the labor organization recognized by it as representing the majority of the employes in a bargaining unit, or certified as the exclusive representative of such unit in accordance with the provisions of this Act, and, upon completion of negotiations, if a settlement is reached, the employer and the labor organization shall enter into a written agreement in the form of a collective bargaining contract.

Section 5. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

(1) Employers, their agents or representatives are prohibited from:

(a) Interfering with, restraining, or coercing employes in the exercise of the rights granted them under Section 3 of this Act;

(b) Dominating or interfering with the formation or administration of any labor organization, or contributing financial or other support to it;

(c) Encouraging or discouraging membership in any labor organization by discriminating in regard to hiring, tenure or other conditions of employment;

(d) Refusing to bargain collectively or to bargain in good faith with the labor organization recognized or certified as the exclusive bargaining agent for the employes in a bargaining unit;

(e) Refusing to discuss grievances in good faith with the representative of the labor organization recognized or certified as the exclusive bargaining agent for the employe or employes involved;

(f) Discharging or discriminating against an employe because he has filed charges or given testimony under this Act;

(g) Violating the provisions of any collective bargaining agreement to which it is a party.

(2) Labor organizations, their agents or representatives are prohibited from:

(a) Interfering with, restraining or coercing employes in the exercise of rights granted them under Section 3 of this Act;

(b) Restraining, coercing or interfering with the employer in the selection of its representative for the purposes of collective bargaining or the adjustment of grievances;

(c) Causing, or attempting to cause, an employer to either discriminate against or discharge any employe for membership or nonmembership in a labor organization;

(d) Refusing to bargain collectively or to bargain in good faith with the employer if such labor organization has been recognized or certified as the exclusive bargaining agent for the employes in the bargaining unit;

(e) Refusing to discuss grievances in good faith with the representative of the employer if such labor organization has been

recognized or certified as the exclusive bargaining agent for the employes of the bargaining unit;

(f) Violating the provisions of any collective bargaining agreement to which it is a party.

Section 6. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

(1) Any labor organization acting on behalf of employes of a proposed bargaining unit may file a petition with the commissioner for recognition as the exclusive bargaining agent for the employes of the proposed unit. The petition shall allege either:

(a) That thirty per cent or more of the employes within a proposed bargaining unit wish to be represented for collective bargaining by a labor organization as the exclusive representative; or

(b) That the labor organization certified as the exclusive representative is no longer the representative of the majority of the employes in the unit.

(2) Any employer may file a petition with the commissioner alleging that one or more labor organizations have presented to it a claim to be recognized as the exclusive representative for a bargaining unit.

(3) Upon the filing of a petition, the commissioner shall determine whether there is reasonable cause to believe a question of representation exists. The determination shall be made after all interested parties have been afforded an opportunity to be heard upon reasonable notice.

If it is determined that a question of representation exists, the commissioner shall:

(a) Order an election by secret ballot to determine whether, or by which, labor organization the employes desire to be represented;

(b) Define the bargaining unit and determine which employes shall be entitled to vote in the election; and

(c) Establish rules governing the election.

(4) In any election ordered by the commissioner under subsection (3) (a) above, only the names of those labor organi-

zations which have been designated by more than ten per cent of the employes in the bargaining unit shall be placed on the ballot.

(5) In defining a bargaining unit, the commissioner shall consider, among other factors:

(a) Community of interest, wages, hours and other working conditions of the employes involved;

(b) The desires and recommendations of the employes involved; and

(c) The extent of organization among the employes to be represented; provided that supervisors shall not be placed in a bargaining unit which includes nonsupervisory employes.

(6) The labor organization which receives the majority of the votes cast in an election shall be certified by the commissioner as the exclusive representative of all of the employes in the unit. In any election in which none of the labor organizations appearing on the ballot receives a majority, a runoff election shall be conducted, the ballot providing for selection between the two labor organizations receiving the largest and second largest number of valid votes cast in the election. In the event of a tie for first or second place, the election shall be rerun.

(7) Nothing in this Act shall be construed to prohibit an employer from recognizing a labor organization as the exclusive representative of a bargaining unit if the labor organization demonstrates that it represents a majority of the employes of the unit.

(8) The certification of a labor organization as exclusive representative of a bargaining unit, as provided in subsection (6) above, shall remain in effect for a period of not less than two years from its date, and thereafter until such time as it is determined that the certified representative does not represent a majority of the employes in the bargaining unit.

Section 7. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

(1) An employer shall, upon receipt of the written authorization of an employe of a bargaining unit represented by a labor

organization recognized or certified as the exclusive representative of the unit, deduct from the pay of the employe an amount of dues as certified by the appropriate officer of the exclusive representative, and shall remit the dues to the exclusive representative. If an exclusive representative has been recognized or certified for a bargaining unit, an employer may not act on a written authorization from an employe in the unit on behalf of any other labor organization.

(2) Any employer shall deduct dues from the pay of an employe upon written authorization of the employe where the employe is not a member of a bargaining unit for which an exclusive representative has been recognized or certified, and shall remit the dues to the designated labor organization.

Section 8. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

(1) When a complaint is filed with the commissioner alleging that any employer, employe, labor organization or other person has engaged in, or is engaging in, any of the practices prohibited by the provisions of Section 5 of this Act, the commissioner shall issue and cause to be served upon the employer, employe, labor organization or other person named in the complaint a notice of a hearing on the complaint. The notice shall be accompanied by a copy of the complaint and shall fix the place and date of the hearing, which shall be held not less than five days after the service of the notice.

(2) Notice shall not be issued by the commissioner on a complaint based upon any prohibited practice which occurred more than six months prior to the date of the filing of the complaint unless the person aggrieved thereby was prevented from filing the charge by reason of service in the armed forces in which event the six month period shall be computed from the day of his discharge.

(3) Any complaint may be amended at any time prior to the issuance of an order by the commissioner based thereon, provided that the party named in the complaint is not unfairly prejudiced thereby. The employer, employe, labor organization or other person named in a complaint shall have the right to file an answer to the original or any amended complaint, to appear in

person or by counsel, to call witnesses, and to give testimony in defense at the time and place fixed in the notice. Within the discretion of the commissioner or the hearing examiner, any other employer, employe, labor organization or other interested person may intervene in the proceedings and present testimony and cross-examine witnesses. In any hearing, the commissioner or hearing examiner shall not be bound by the rules of evidence observed in courts of law.

(4) Testimony given at a hearing conducted by the commissioner or a hearing examiner shall be reduced to writing and filed with the commissioner. Upon notice to all parties of record, the commissioner may take further testimony or hear additional argument.

(5) If upon a preponderance of the testimony taken, the commissioner determines that the employer, employe, labor organization or other person complained of has engaged in or is engaging in a practice prohibited by the provisions of Section 5 of this Act, he shall state his findings of fact and shall issue and cause to be served upon the offending party an order requiring him to cease and desist from the prohibited practice. The commissioner may take such affirmative action, including reinstatement of employes with or without back pay, as will effectuate the policies of this Act. The order may further require the person to make reports from time to time showing the extent to which he has complied with the order.

(6) If upon a preponderance of the testimony taken, the commissioner determines that the employer, employe, labor organization or other party complained of has not engaged in, or is not engaging in, a practice prohibited by the provisions of Section 5 of this Act, he shall state his findings of fact, and shall issue an order dismissing the complaint. No order of the commissioner shall require the reinstatement of any individual as an employe who has been suspended or discharged, or the payment to him of any back pay, if the individual was suspended or discharged for cause.

(7) Until the record of a hearing has been filed in court, the commissioner at any time, upon reasonable notice, may modify or set aside, in whole or in part, any finding or order made or issued by him or by any hearing examiner.

(8) The commissioner or the complaining party may file a complaint for the enforcement of the commissioner's order in the circuit court of the county in which the offending party engaged in, or is engaging in, the prohibited practice, or in the Franklin Circuit Court. Upon the filing of the complaint, the clerk of the circuit court shall issue a summons to all parties of record. The commissioner or the complaining party shall file with the court the record of the hearing. The court may enforce, modify and enforce as modified, or set aside the commissioner's order. If either party applies to the court for leave to present additional evidence and shows to the satisfaction of the court that the additional evidence is material and that reasonable grounds existed for the failure to present it at the hearing, the court may order the additional evidence to be taken before the commissioner, and to be made a part of the record. The commissioner may modify his findings as to the facts, or make new findings, by reason of the additional evidence taken and filed, and may modify or set aside his original order. The finding of the commissioner with respect to any question of fact shall be conclusive upon the court unless it is so clearly erroneous on the basis of the evidence as to constitute an arbitrary abuse of discretion. The judgment of the circuit court shall be final unless an appeal is taken to the Court of Appeals in accordance with the rules of civil procedure.

(9) Any employer, employe, labor organization or other person aggrieved by a final order of the commissioner may appeal from the order to the circuit court of the county in which the basis for the complaint occurred. The appeal shall be filed within thirty days after the issuance of the final order. Upon the filing of the appeal, the clerk of the circuit court shall issue a summons to all parties of record. The aggrieved party shall file with the court the record of the hearing before the commissioner. The review shall be confined to the record. Additional evidence may be presented as provided in subsection (8), and the commissioner may make new findings of fact and may modify or set aside his original order as therein provided. The finding of the commissioner with respect to any question of fact shall be conclusive upon the court unless so clearly erroneous on the basis of the evidence as to constitute an arbitrary abuse of discretion. The judgment of the circuit court shall be final unless an appeal

is taken to the Court of Appeals in accordance with the rules of civil procedure.

(10) The commencement of proceedings under subsections (8) or (9) shall not, unless specifically ordered by the court, operate as a stay of the commissioner's order.

(11) Complaints and appeals filed under this Act shall be heard expeditiously by the court to which presented, and shall take precedence over all other civil matters except earlier matters of the same character.

Section 9. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

(1) No employe or labor organization shall, either directly or indirectly, cause, instigate, encourage or engage in a strike against an employer, or any third party.

(2) Any labor organization recognized or certified as the representative of employes which, either directly or indirectly, induces, influences, encourages, or condones employes to disrupt public services shall lose its recognition or certification as such representative.

Section 10. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

(1) Any collective bargaining agreement entered into in accordance with the provisions of this Act may contain a grievance procedure culminating with final and binding arbitration of unresolved grievances and disputed interpretations of agreements. All agreements shall become effective according to their terms, and suits for violations of any agreement may be brought by any party to the agreement in the circuit court of the county in which the alleged violation occurred.

(2) A request for funds necessary to implement a collective bargaining agreement and for approval of any other matter requiring the approval of a legislative body, shall be submitted by the employer to the legislative body within fourteen days of the date on which the agreement is executed, or within fourteen days after the legislative body convenes, if it is not in session at the time the agreement is executed.

(3) Failure of an employer to submit a request to the legislative body as provided in subsection (2) above shall constitute a refusal to bargain collectively in violation of Section 5 (1) (d) of this Act.

(4) The legislative body may approve or reject the request, and, if rejected, the matter shall be returned to the parties for further bargaining. Failure of the legislative body to act upon the request within thirty days of the end of the period for submission to the legislative body shall be considered approval of the request. After rejection of the request by the legislative body, either party may reopen all or any part of the remainder of the agreement.

Section 11. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

(1) At least 30 days prior to the expiration date of any collective bargaining agreement, the parties shall notify the commissioner of the status of negotiations. The commissioner may assign a mediator upon the request of either party or upon his own initiative.

(2) (a) If upon the expiration of an existing collective bargaining agreement, or 30 days following certification or recognition of an exclusive representative, a dispute concerning the collective bargaining agreement exists between the employer and the exclusive representative, either party may petition the commissioner to initiate fact-finding.

(b) Within three days of receipt of such petition, the commissioner shall submit to the parties a list of seven qualified, disinterested persons from which list each party shall alternate in striking three names, and the remaining person shall be designated "fact finder." The parties shall notify the commissioner of the designated fact finder within five days of receipt of the list of names from the commissioner.

(3) If no request for fact finding is made by either party prior to the expiration of the agreement, or 30 days following certification or recognition of an exclusive representative, the commissioner may initiate fact finding as provided in subsection (2) (b) above.

(4) The fact finder shall promptly set a time, date, and place for an initial hearing. The fact finder may administer oaths, and shall issue subpoenas upon the request of either party. Hearings shall be conducted in accordance with rules established by the commissioner. Upon completion of the hearings, but not more than twenty days from the date of his selection, the fact finder shall make written findings of facts and recommendations for resolving the dispute, and shall serve such findings and recommendations on the employer and the exclusive representative. The fact finder may make his findings and recommendations public five days after they are submitted to the parties. In the event the dispute is not resolved within fifteen days after the findings and recommendations have been served on the parties, the fact finder shall make the findings and recommendations public.

(5) The parties to a dispute shall continue the status quo for a period of sixty days from the date either party requests fact finding or the commissioner initiates fact finding upon his own initiative. During the sixty day period, in order to permit the successful resolution of the dispute, the employer may not unilaterally change any terms or conditions of employment.

(6) The employer and the exclusive representative shall be the only parties to fact-finding proceedings.

(7) The cost of fact-finding shall be borne by the Department of Labor.

(8) Nothing in this section shall be construed to prohibit the fact finder from endeavoring to mediate or resolve the dispute.

Section 12. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall have the authority to adopt, amend and rescind such regulations as he deems appropriate to carry out the provisions of this Act. No regulation shall be adopted amended or rescinded by the commissioner until all interested persons have been given reasonable notice and an opportunity to be heard.

HB 350, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.001 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter unless the context requires otherwise:

(1) "Board" means the Workmen's Compensation Board;

(2) "Director" means the director of the Workmen's Compensation Board;[.]

(3) "Disability," "total disability for work," or "partial disability" means the inability of the injured or diseased employe to do that work which he is customarily able to do efficiently, or his inability to obtain the kind of work that he is customarily able to do.

Section 2. Section 342.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) In all other cases of permanent partial disability, including any disfigurement which will impair the future usefulness or occupational opportunities of the injured employe, or employe disabled by an occupational disease, compensation shall be determined according to the percentage of disability, taking into account, among other things, any previous disability, the nature of the physical injury or disfigurement, the occupation of the injured employe and age at the time of injury or at the time the disability from an occupational disease began.

(2) Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it adversely affects a workman's general ability to labor, or limits his occupational opportunities to obtain the kind of work he is customarily able to do.

(3) The compensation paid therefor shall be sixty-six and two-thirds percent of the average weekly earnings of the employe, subject to the limitations contained in KRS 342.070 (5), multiplied by the percentage of disability caused by the injury or occupational disease, for such period as the board determines, not exceeding four hundred weeks. Compensation payable under this section shall not be affected by the earnings of the employe after the accident, or after his disability from an occupational disease,

whether they be the same, or greater, or less than prior to the accident or disability from an occupational disease. Whenever the weekly payments under this section would be less than the minimum weekly benefit set out in KRS 342.070 (5), the period may be shortened and the payments correspondingly increased to that amount. Where compensation, except as provided in KRS 342.020 and 342.030, is paid under any other provision of this chapter, the period during which such other compensation is paid shall be deducted from the maximum period which may be paid under this section.

(4) The doctrine or standard of disability known as "comparative earning capacity" arrived at by comparing earning capacity before injury or occupational disease, with the earning capacity after injury or disease, is not to be applied in the enforcement of this chapter, and is hereby renounced.

The Committee on Banking and Insurance reported **HB 395**, **HB 497** and **SB 139** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 395, AN ACT relating to industrial loan corporations:

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 291.460 of the Kentucky Revised Statutes is amended to read as follows:

An industrial loan company organized under KRS 291.410 to 291.600 may:

(1) Lend money and receive interest therefor at a rate of *seven* [six] dollars per one hundred dollars per annum of the principal amount of a loan [not exceeding two thousand dollars,] and require and receive uniform weekly or monthly installment payments. *The maximum cash advance on any loan made under KRS 291.410 to 291.600 may not exceed seven thousand five hundred dollars.* The amount of interest computed as provided in KRS 291.410 to 291.600 may be charged or received in advance or may be added to the principal amount of the loan. Such loans shall be repayable in substantially equal installments over a period not exceeding *five* [three] years and thirty-two days.

As used herein, "cash advance" is the principal amount of a loan less the interest and charge thereon as permitted by this section as to any loan upon which the interest and charge are deducted from the principal in advance, or is the principal amount of a loan less the charge thereon as permitted by this section as to any loan upon which the interest is added to the principal.

(2) Sell or negotiate bonds, notes and certificates of investment for the payment of money at any time, either fixed or uncertain, and receive payments therefor in installments or otherwise; provided, that nothing herein contained shall be construed to create any liability on demand. No corporation making loans under *KRS 291.410* to *291.600* [this section or KRS 291.470 to 291.510] shall directly or indirectly advertise for or accept deposits, demand or otherwise, except an industrial loan company organized under KRS 291.410 to 291.600 may advertise the sale of certificates of investment as authorized under KRS 291.410 to 291.600.

(3) Charge for a loan made pursuant to this section one dollar for each fifty dollars or fraction thereof loaned for expenses, including any examination or investigation of the character and circumstances of the borrower, co-maker or surety, and the drawing and taking acknowledgment of necessary papers or other expenses incurred in making the loan. [Such charge shall be permitted only on the first two thousand dollars loaned.] No charge shall be collected unless a loan has been made as a result of such examination or investigation.

Section 2. Section 291.480 of the Kentucky Revised Statutes is amended to read as follows:

In addition to the charge permitted by KRS 291.410 to 291.600, no further amount shall be directly or indirectly charged, contracted for or received on any such installment loan, except lawful fees actually paid to a public official for filing, recording or releasing any instrument securing the loan, and delinquency charges as set out in subsection (1) of KRS 291.500. Provided, however, that the certificate holder may request, as collateral for any loan, and collect premiums for:

(1) Notwithstanding the provisions of this or any other law:

(a) A licensee may request a borrower to insure tangible personal property, except household goods, offered as security for a loan not exceeding *a cash advance of seven* [five] thousand *five hundred* dollars under KRS 291.410 to 291.600 against any substantial risk of loss, damage or destruction for any amount not to exceed the actual value of such property or the approximate amount of the loan, whichever is lesser, and for a term and upon conditions which are reasonable and appropriate considering the nature of the property and the maturity and other circumstances of the loan; provided, such insurance is sold by a licensed agent, broker or solicitor.

(b) A licensee may also request as security for any loan obligation insurance on the life of the borrower, or one of them if there are two or more. The initial amount of credit life insurance shall not exceed the total amount repayable under the contract of indebtedness and, where an indebtedness is repayable in substantially equal installments, the amount of insurance shall at no time exceed the scheduled or actual amount of unpaid indebtedness, whichever is greater. Not more than one policy of life insurance may be written in connection with any loan transaction under KRS 291.410 to 291.600.

(c) In accepting any insurance provided for by KRS 291.410 to 291.600 as security for a loan the licensee, its officers, agents or employees may deduct the premiums or identifiable charge therefor from the proceeds of the loan, and remit such premiums to the insurance company writing such insurance and any gain or advantage to the licensee or any employee, officer, director, agent, affiliate or associate from such insurance or its sale shall not be considered as additional or further charge in connection with any loan made under KRS 291.410 to 291.600. The arranging for and collecting of an identifiable charge shall not be deemed the sale of insurance.

(d) Every insurance policy or certificate written in connection with a loan transaction pursuant to paragraph (b) of this subsection shall provide for cancellation of coverage and a refund of the premium or identifiable charge unearned upon the discharge of the loan obligation for which such insurance is security without prejudice to any claim.

(e) Whenever insurance is written in connection with a

loan transaction pursuant to KRS *291.410 to 291.600,* [291.470 to 291.510] the licensee shall deliver or cause to be delivered to the borrower a policy, certificate or other memorandum which shall show the coverages and the costs thereof, if any, to the borrower within thirty days from the date of the loan.

(f) All such insurance shall be written by a company authorized to conduct such business in this state and the licensee shall not require the purchase of such insurance from any agent or broker designated by the licensee nor shall the licensee decline existing coverages which equal or exceed the standards of KRS 291.410 to 291.600;

(2) Insurance on real property pledged as security for a loan in an amount not to exceed the actual value of such property or the approximate amount of the loan whichever is lesser;

(3) Accident and health insurance on not less than a fourteen-day retroactive basis, covering one borrower in aggregate amount not to exceed the approximate amount of the loan with each periodic indemnity payment not to exceed the original indebtedness divided by the number of periodic installments; all subject to the general provisions and limitations of KRS *291.410 to 291.600.* [291.470 to 291.510] Premium rates for accident and health insurance written pursuant to KRS 291.410 to 291.600 shall be reasonable in relation to benefits, and shall be filed with the Commissioner of Insurance.

Section 3. Section 291.500 of the Kentucky Revised Statutes is amended to read as follows:

(1) Delinquency charges may be made not to exceed five cents for each dollar of each installment more than ten days in arrears, and only one delinquency charge shall be made on any one installment. No delinquency charge shall exceed five dollars on any one installment. In addition to such delinquency charge attorneys fees not exceeding fifteen per cent of the unpaid balance and court costs may be collected, provided that the note is referred to an attorney not a salaried employee of the holder for collection.

(2) The corporation shall permit the borrower to repay his loan in whole or in part at any time. If a loan is paid in full prior to maturity, *by cash, a new loan or otherwise, the licensee shall*

make a refund of the unearned portion of the interest thereon. The amount of such refund shall represent at least as great a proportion of such interest as the sum of the scheduled installment payments on the loan after the installment period in which prepayment is made bears to the sum of all the scheduled installment payments thereon. Any default or deferment charges which are due and unpaid may be deducted from such refund. The tender by the borrower or at his request of an amount equal to the unpaid balance less the required refund must be accepted by the licensee in full payment of the loan. If judgment is obtained before the final installment date the loan balance shall be reduced by the refund which would be required for prepayment in full as of the date judgment is obtained. No refund of less than one dollar need be made; no refund for partial prepayments need be made. [the lending institution shall make a rebate at a rate not less than six per cent per annum of amounts so paid in advance of the due date, if the maximum financing charge permitted under KRS 291.410 to 291.600 has been taken. If a lesser charge has been taken, the rebate shall be at not less than a proportional rate.]

(3) If all or part of one or more unpaid installments is deferred, the licensee may make and collect a deferment charge not to exceed one and one-half per cent per month of the unpaid installment or installments deferred for each full month in the period of the deferral. The deferment charge may be collected at the time it is assessed or at any time thereafter. A delinquency charge may not be retained by the licensee with respect to any period of delinquency included within the deferral period for which a deferment charge has been collected. Any payment received at the time of deferment may be applied first to the deferment charge and the remainder, if any, applied to the unpaid balance of the contract, provided, however, that if such payment is sufficient to pay, in addition to the appropriate deferment charge, any installment which is in default and the applicable default charge, it shall be first so applied and any such installment shall not be deferred or subject to the deferment charge. If a loan is prepaid in full during the period of deferral, the unearned deferment charge for the number of full months remaining the period of deferral after the date of prepayment shall be paid or credited to the borrower.

Section 4. Section 291.510 of the Kentucky Revised Statutes is amended to read as follows:

(1) In the case of loans made under KRS 291.410 to 291.600 the corporation shall not take any assignment, pledge or transfer of wages to be earned or paid in the future, nor any first lien or first mortgage on real estate as security, except such lien as is created by virtue of a judgment or decree. Nothing in KRS *291.410 to 291.600* [291.470 to 291.510] is intended to prevent lending institutions from making loans with second or other junior mortgages on real estates as security, which loans are hereby authorized.

(2) No corporation shall split up or divide a loan, or permit any person to be obligated to it under more than one contract of loan at the same time for the purpose of obtaining a greater charge than would otherwise be permitted under KRS *291.410 to 291.600.* [291.470 to 291.510]

(3) Every note made under KRS *291.410 to 291.600* [291.460 and under KRS 291.470 to 291.510] shall contain the following information and provisions: The principal amount of the loan excluding any charge made under KRS 291.460 [or 291.470 to 291.510]; a statement of the total charge for the loan made under KRS 291.460 [and under KRS 291.470 to 291.510]; the amount and date of each installment; the date of final maturity; an agreement that the borrower may prepay the loan in whole or in part at any time, and if the loan is paid in full before maturity, the borrower will receive a refund of the unearned portion of the charge, as required by KRS *291.500.* [291.470 to 291.510] At the time the loan is made, the lending institution shall give the borrower either a copy of the note, or a statement of the transaction containing the provisions and information required to be contained in the note. The lending institution shall deliver a receipt for each payment; however, a cancelled check or a money order shall constitute a receipt.

(4) In advertising for loans subject to KRS *291.410 to 291.600,* [291.470 to 291.510 or subject to KRS 291.460] every advertisement shall conform to the following minimum requirement: Any statement of the amount of the loan shall be the original principal amount showing in detail the net proceeds to the borrower and any charge made under KRS 291.410 to 291.600.

(5) KRS 291.410 to 291.600 shall not prevent a corporation organized under the provisions of KRS 291.410 to 291.600 from purchasing or acquiring directly or indirectly, notes, chattel mortgages, installment or conditional sales contracts, embodying liens or evidencing title retention arising from the bona fide sales of goods or services by a seller of such goods or services.

Section 5. Section 291.520 of the Kentucky Revised Statutes is amended to read as follows:

(1) KRS 287.215, 288.420, 288.620 and 360.010 do not apply to loans made under authority of KRS 291.460 [or 291.470] to 291.510, but KRS 287.215, 288.420, 288.620 and 360.010 remain in full force and effect for all other purposes and nothing in this section or in KRS *291.460* [291.470] to 291.510 shall be construed to impair validity or effect of KRS 287.215, 288.420, 288.620 and 360.010 with respect to loans other than those made pursuant to KRS 291.460 [or 291.470] to 291.510.

(2) Any contract of loan in the making or collection of which any act has been done which constitutes a willful violation of any provision of KRS 291.460 [or 291.470] to 291.510 is void, and the corporation has no right to collect or receive any interest or charges whatsoever on such loans, but the unpaid principal of the loan shall be paid in full to the lending institution.

(3) Those industrial loan corporations operating under KRS 291.410 to 291.600 that issue certificates of investment shall establish as a reserve against such certificates of investment an amount which shall not be less than five per cent of the amount of such certificates of investment outstanding. In addition the commissioner shall have authority to require a blanket surety bond with an approved corporate surety which shall include fidelity coverage in an amount deemed adequate by the commissioner to protect holders of certificates of investment.

(4) No corporation organized under KRS 291.410 to 291.600 shall deposit any of its funds with any bank or trust company unless such bank or trust company has been designated as such depository by a vote of the majority of the directors of the executive committee exclusive of any director who is an officer, director or trustee of the depository so designated. A corporation operating under KRS 291.410 to 291.600 may invest in the bonds of any

federal instrumentality or bonds issued by the Commonwealth of Kentucky or any governmental subdivision thereof.

(5) No corporation organized under KRS 291.410 to 291.600, nor any foreign industrial loan corporation nor any other person shall conduct its business in the same office in which there is conducted a petty loan business under KRS Chapter 288, or solicit any other business, or associate or be in conjunction with any other business except upon a written authorization by the commissioner.

Section 6. Section 291.470 of the Kentucky Revised Statutes is repealed.

HB 497, AN ACT relating to savings and loan associations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 289.671 of the Kentucky Revised Statutes is hereby repealed.

SB 139, AN ACT relating to interest and usury.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 360.010 is amended to read as follows:

The legal rate of interest is six per cent per annum, but any party or parties may agree, in writing, for the payment of interest in excess of that rate on money due or to become due upon any contract or other obligation in writing where the original principal amount is in excess of Seventy-Five Hundred Dollars and at a rate not in excess of nine per cent per annum where the principal amount is Seventy-Five Hundred Dollars or less, and any such party or parties, and any party or parties who may assume or guarantee any such contract or obligation, shall be bound for such rate of interest as is expressed in any such contract, obligation, assumption, or guaranty, and no law of this State prescribing or limiting interest rates shall apply to any such agreement or to any charges which pertain thereto or in connection therewith; provided, however, nothing herein contained shall be construed to amend, repeal, or abrogate any other law of this State

pertaining to any particular types of transactions for which the maximum rate of interest is specifically prescribed or provided.

[(1) Parties may agree, in writing, for the payment of interest not exceeding seven percent per annum on money due or to become due upon any contract. In all other cases except where a higher rate of interest is specifically provided by law, the legal rate of interest is six percent per annum.]

[(2) Any state or national bank may charge one dollar for any loan negotiated at the bank in this state, even if the legal interest does not amount to that sum.]

Section 2. KRS 360.020 is amended to read as follows:

(1) The taking, receiving, reserving, or charging a rate of interest greater than is allowed by the preceding section of this Act, when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. In case the greater rate of interest has been paid, the person by whom it has been paid, or his legal representatives, may recover, in an action in the nature of an action of debt, twice the amount of the interest thus paid from the creditors taking or receiving the same including a reasonable attorney's fee as determined by the court: Provided, that such action is commenced within two years from the time the usurious transaction occurred.

[(1) All contracts and assurances for the loan or forbearance of more than three hundred dollars in money or other thing of value at more than the legal rate of interest, are void as to the excess over legal interest. The principal, with legal interest, may be recovered on any such contract or assurance, but not the excess of interest, and such excess of interest, if already paid, may be recovered from the lender or forbearer, even though payment was made to an assignee; but if the lender or forbearer refuses, before suit is brought, a tender of the principal with legal interest, he shall pay the costs of any suit brought on the contract or assurance. A court having jurisdiction may grant equitable relief for any such excess of interest, and to that end may compel the necessary discovery from the lender or forbearer.]

(2) Partial payment on a debt bearing interest shall be first applied to the interest then due.

[(3) Subsections (1) and (2) do not apply to loans made under Chapter 288.]

Section 3. KRS 360.990 is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 360.060 shall be fined not less than ten dollars nor more than fifty dollars for each offense.

(2) Any creditor who unlawfully combines or conspires, or attempts unlawfully to combine or conspire with any other creditor or creditors to arrange, fix or otherwise agree upon a rate of interest in any credit transaction, shall be deemed guilty of a felony and, upon conviction, shall be fined not more than $5000 or confined in the penitentiary for not more than five years, or both.

The Committee on Public Utilities and Transportation reported **HB 351, HB 416** and **HB 500** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 351, AN ACT relating to rural electric and rural telephone cooperative corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 279.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any corporation formed under this chapter may issue its obligations and pledge its future revenues for the payment thereof. The obligations may be in the form of bonds, notes, debentures, interim certificates or other evidences of indebtedness. The obligations shall be authorized by a resolution of the board of directors, [after a resolution is first passed by a majority of the common stockholders giving the board that power. The resolution of the board] *which* shall fix the dates of issuance and maturity, the rate and time of payment of interest, and denominations, the form (either coupon or registered), the registration privileges, the manner of execution, the place and medium of payment, and the terms of redemption [,]. [but the period of maturity shall not exceed thirty-five years, or the rate of interest

six per cent and the obligations shall not be made redeemable at more than par and accrued interest.] *Any limitation as to interest or term of maturity otherwise provided by law shall not be applicable to obligations issued by a corporation organized under this chapter.*

(2) The obligations may be issued for money or property, at public or private sale, for such price as the board determines, but the interest cost to maturity of the money or property received for any issue of the obligations shall not exceed six percent per annum, payable semiannually, the value of the property for this purpose to be determined conclusively by the board.

(3) Pending the preparation or execution of definitive obligations, interim receipts or certificates or temporary obligations may be delivered to the purchaser of the obligations. All obligations and interest coupons issued pursuant to this chapter shall be negotiable instruments.

(4) Any corporation formed under this chapter may make such covenants or agreements and do such other things as may be necessary, convenient or desirable in order to secure its obligations, or that the board believes will tend to make the obligations more marketable, nothwithstanding that such covenants, agreements or other things may constitute a limitation on the exercise of the powers granted by this chapter.

(5) Any corporation organized under this chapter may, out of any funds available therefor, purchase or redeem any obligation issued by it at a price not exceeding the principal amount and accrued interest. All obligations so purchased shall be canceled and retired.

Section 2. Section 279.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in KRS 279.090, 279.120 and 279.130, and in subsection (2) of this section, no corporation formed under this chapter may sell, [mortgage,] lease or otherwise dispose of any of its property unless the board of directors is authorized so to do by a majority vote of the members present and voting at the meeting at which the proposed sale, [mortgage,] lease or other disposition is voted upon.

(2) The board may sell any of the following property without authority from the members:

(a) Property that, in its judgment, is neither necessary nor useful in operating and maintaining the system, but sales of such property shall not in any one year exceed ten percent in value of all the property of the corporation other than merchandise and personal property acquired for resale;

(b) Services and electric energy;

(c) Personal property acquired for resale; and

(d) Merchandise.

HB 416, AN ACT providing for the payment by Department of Highways for the removal and relocation of facilities owned by a utility, or a Water District established pursuant to Chapter 74 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 177 of the Kentucky Revised Statutes is created to read as follows:

(1) As used in this Act "Department of Highways" shall be construed to mean the Commonwealth of Kentucky acting by and through its agent, the Department of Highways.

(2) "Utility" as used in this Act shall be construed to include any corporation, private, municipal, quasi public, public associations, joint-stock companies, business trusts, district associations or agencies included in the definitions under Section 278.010 of the Kentucky Revised Statutes. Municipalities and agencies thereof and sanitation districts are included whether or not included in Section 278.010 of the Kentucky Revised Statutes.

(3) The term "facility" includes all property, means and instrumentalities owned, operated, leased, licensed, used, furnished or supplied for, by, or in connection with the business of any "utility."

(4) "Interstate System" as used herein means the National System of Interstate and Defense Highways described in Sub-Section D of Section 103, Title 23, U. S. Code Annotated.

(5) The term "cost of removal and relocation of utility facilities" as used in this Act shall include the entire amount of the cost of removal and relocation of any such facility or facilities after deducting therefrom any increase of the value of the new facility or facilities, and any salvage value derived from the old facility. Stated in a different manner, the Department of Highways shall pay to the owner of any public utility facilities the full amount of the non-betterment cost of the removal and relocation necessitated by the construction of any section or part of the Interstate Highway project.

Section 2. A new section of Chapter 177 of the Kentucky Revised Statutes is created to read:

When the Department of Highways in order to construct, reconstruct, or relocate or improve any Interstate Highway which requires any facilities of any utility to be relocated or removed, the Department of Highways shall pay to the owner of such facility or facilities the full cost and expense of such removal and relocation including the cost of installing such facilities in a new location or locations, and the cost of any lands or rights or interest in lands and any other rights required to accomplish such relocation and removal. Said costs shall be ascertained and paid by the Department of Highways as a part of the cost of improving, reconstructing, or constructing such section or part of the Interstate Highway.

Section 3. A new section of Chapter 177 of the Kentucky Revised Statutes is created to read:

The Act of Congress establishing or authorizing the construction of the Interstate Highway System and the rules, regulations, and restrictions which have been promulgated pursuant to such laws, impose limitations, burdens, and restrictions differentiating Interstate Highway systems from other State Highway construction and from other State and Federal Aid Highways, relocations, and constructions; and the terms and provisions embraced in this Act are therefore limited and restricted to the relocation, improvement, or construction of Interstate Highways.

HB 500, AN ACT relating to the sanitation and safety of boats.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 235.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every person seeking a license or certificate of number or renewal for operation of a motorboat shall apply in person to the circuit court clerk of the county as provided in KRS 235.050 and make application on a form furnished by the division. The application shall contain the full name and signature, citizenship of applicant, date of birth, sex, race, present resident address, the make of the boat, serial number, if any, length, beam, motive power, maximum capacity, type of hull material, and intended use of boat. [The application shall state whether the motorboat is equipped with toilet facilities and shall describe the number and type of such facilities and shall state whether the storage container or treatment or disposal system for such facilities is a type approved by regulations of the Kentucky Water Pollution Control Commission.] It shall also state whether the applicant has been previously licensed or registered as an owner, and if so, when and by what state or county, whether any license registration or certificate number has been cancelled, suspended, revoked, refused, and if so, the date of and reason for cancellation, suspension, revocation or refusal and such other information as may be required.

(2) Every applicant shall make oath as to the truthfulness of the statements contained in the form.

(3) The clerk shall, after determining that the applicant has complied with the law concerning applications, issue a temporary license, certificate of number or renewal thereof to be valid for not more than ninety days. Such temporary license shall be valid in lieu of the permanent license during the certification period and must be destroyed upon receipt of the permanent certificate from the Division of Boating.

[(4) No license for the operation of a motorboat shall be issued, if the motorboat is equipped with toilet facilities but is not equipped with a storage container or treatment or disposal system of a type approved under regulations promulgated by the Kentucky Water Pollution Control Commission.]

Section 2. Section 235.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every motorboat shall have aboard:

(a) One life preserver, buoyant vest, ring buoy or buoyant cushion of the type approved by the Commandant of the United States Coast Guard in good and serviceable condition for each person on board.

(b) When in operation during hours of darkness, lights sufficient to make the motorboat's presence and location known to any and all other vessels within a reasonable distance.

(c) If carrying or using any inflammable or toxic fluid in any enclosure for any purpose, and if not an entirely open motorboat, an efficient natural or mechanical ventilation system which shall be capable of removing resulting gases prior to, and during, the time such motorboat is occupied by any person.

(d) Such additional equipment designed to promote the safety of navigation and of persons as the division may find to be appropriate and for which it has provided in its rules and regulations.

[(e) If such motorboat is equipped with toilet facilities, a storage container or a treatment or disposal system of size and construction sufficient to protect and preserve the waters of this state from pollution. The storage container or treatment or disposal system shall conform to such construction, performance and utilization criteria as may be established by regulations of the Kentucky Water Pollution Control Commission.]

(2) No person shall operate or give permission for the operation of a motorboat which is not equipped as required by this section or modification thereof, or which is not safe for operation as a motorboat.

The Committee on Business Organizations and Professions reported **HB 166** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 166, AN ACT relating to the regulation of parachute jumping.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 183 of the Kentucky Revised Statutes is created to read as follows:

(1) The Commissioner of Aeronautics may prescribe such rules and regulations, not inconsistent with law, as may be reasonable and necessary to regulate sport parachute jumping.

(2) The Commissioner may prescribe penalties in the form of administrative fines for violations of the rules and regulations prescribed under the authority of subsection (1) above.

The Committee on Agriculture and Natural Resources reported **HR 45**, with Committee Amendments attached thereto, with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

The Committee Amendment No. 2 to **HR 45** is as follows:

Amend printed copy of House Resolution 45 on page 2, line 3, by: changing the word "three" to "all"

and on lines 4 and 5, by placing a period "." after the word "Governor" on line 4 and striking the words "and three of whom shall be appointed by the Lieutenant Governor."

The Committee on Agriculture and Natural Resources reported **HB 92** with Committee Substitute attached thereto, **HB 236, HB 454** and **HB 521** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 92, AN ACT relating to state parks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 148 of the Kentucky Revised Statutes is created to read as follows:

There shall be a state park at the site of Spindletop Farm or Maine Chance Farm in Fayette County, Kentucky, which park shall be known as Thoroughbred State Park. This park shall consist of at least two hundred acres. It shall be developed for recre-

ational and educational purposes, in commemoration of the influence of the thoroughbred horse industry on the history and traditions of the Commonwealth. It shall include restaurant facilities for visitors and a museum of the thoroughbred industry.

Section 2. A new section of Chapter 148 of the Kentucky Revised Statutes is created to read as follows:

The Department of Parks is hereby authorized to acquire the necessary real property on which to locate this park and to construct and equip the facility in accordance with the provisions of KRS 148.021 and 148.031. The Department of Parks is further authorized to provide for the maintenance of Thoroughbred State Park in the manner provided by law.

Committee Substitute, HB 92, AN ACT relating to state parks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 148 of the Kentucky Revised Statutes is created to read as follows:

There shall be a state park at a site to be selected by the Commissioner of Parks in Fayette County, Kentucky, which park shall be known as Thoroughbred State Park. It shall be developed for recreational and educational purposes, in commemoration of the influence of the thoroughbred horse industry on the history and traditions of the Commonwealth. It shall include restaurant facilities for visitors and a museum of the thoroughbred industry.

Section 2. (1) The Commissioner of Parks shall appoint a Thoroughbred State Park Site Selection Committee to be made up of the county judge of Fayette County, a person to be named by the county judge of Fayette County, the mayor of the City of Lexington, a person to be named by the mayor of the City of Lexington, and five additional Fayette County residents who have distinguished themselves as members of the horse industry. One additional member shall be appointed by the Legislative Research Commission.

(2) The Site Selection Committee shall report its recommendations to the Commissioner of Parks by July 1, 1971.

Section 3. The Department of Parks, based on recommendations of the Site Selection Committee, is hereby authorized to acquire the necessary real property on which to locate this park and to construct and equip the facility in accordance with the provisions of KRS 148.021 and 148.031. The Department of Parks is further authorized to provide for the maintenance of Thoroughbred State Park in the manner provided by law.

HB 236, AN ACT relating to forestry and forest fire prevention.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 149.370 of the Kentucky Revised Statutes is amended to read as follows:

No person shall:

(1) Within or adjacent to timberland, dispose of a lighted match, cigarette, cigar, ashes, or other flaming or glowing substance, or any other substance or thing in such condition that it is likely to ignite a forest, brush, grass or woods fire, or throw or drop any of the aforesaid objects or substances within the limits of the right-of-way of any road or highway in such timberland. The driver of a moving vehicle shall be deemed prima facie liable where it cannot be determined which of the occupants of the moving vehicle threw or dropped any of the aforesaid objects or substances.

(2) Smoke in timberland during an emergency period of fire danger as proclaimed in KRS 149.405.

(3) Set fire or cause or procure the setting on fire of any flammable material on timberland of another without the consent of the owner.

(4) Set fire or cause or procure the setting on fire of any flammable material on timberland, without notifying adjacent landowners and without taking reasonable precautions both before and after lighting the fire and at all times thereafter to prevent escape thereof.

(5) Deposit or leave unattended on any railroad or highway right-of-way within or adjacent to timberland, any fire or

live coals, or set or maintain thereon any fire for the purpose of cooking, heating, or providing light or warmth unless such fire is enclosed within a stove, drum, fireplace or other properly prepared location.

(6) Within or adjacent to timberland, set a backfire or cause a backfire to be set, except *with the written permission* or under the direct supervision of the Division of Forestry, [or unless it can be established that the setting of such backfire is necessary for the purpose of saving life or valuable property] *and in compliance with Section 3 of this Act.*

(7) Without authority, destroy, deface, or remove any notice, sign, or poster of the Division of Forestry, posted for the better protection of wood lots, forests, or wild lands from fire or trespass.

(8) Use or operate within or adjacent to timberlands a welding torch, tarpot, or other device which may cause a fire, without clearing flammable material surrounding the operation or without taking such other reasonable precautions necessary to ensure against the starting and spreading of fire.

(9) Light, maintain or use a fire for cooking, heating or providing light or warmth upon lands not his own and within or adjacent to timberland, without first obtaining permission from the owner, lessee or agent thereof.

(10) Light or maintain within or adjacent to timberland, a bonfire within one hundred fifty feet, of any house or building.

(11) Discharge or cause to be discharged a gun firing incendiary or tracer bullets or tracer charge or combustible gun wadding onto or across any timberland.

(12) Have in his possession on timberland any incendiary or tracer bullet or tracer, charge, except in the course of transporting the same in conformity with law.

(13) Light or maintain within or adjacent to timberland an open fire or campfire without clearing flammable material surrounding such fire as necessary to ensure against the escape or spread thereof, or leave such fire before it is extinguished.

(14) Kindle or start, or direct another to kindle or start, any fire in or near a public or private road within or adjacent

to timberland unless it is under control at all times, and properly extinguished before left.

Section 2. Section 149.991 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 149.430 or any regulation adopted hereunder, for which no definite fine or imprisonment is fixed by this section, shall be fined not more than two hundred dollars or imprisoned for not more than three months, or both such fine and imprisonment.

(2) Any person who violates any of the provisions of KRS 149.380 or *Section 3 of this Act* shall be fined not more than one thousand dollars and imprisoned for not more than two years, or both such fine and imprisonment.

(3) Any person who violates subsection (7) of KRS 149.370 shall be fined not less than ten nor more than fifty dollars or imprisoned for not less than ten days nor more than six months, or both such fine and imprisonment.

(4) Any person who violates any provision of KRS 149.375 or 149.400 shall be fined not less than ten nor more than one hundred dollars or imprisoned for not less than ten days or more than six months, or both such fine and imprisonment, for each separate offense.

(5) Any person who violates any provision of KRS 149.405 shall be fined not less than ten nor more than five hundred dollars, or imprisoned for not more than thirty days, or both such fine and imprisonment.

Section 3. A new section of Chapter 149 of the Kentucky Revised Statutes to be designated as KRS 149. is created to read as follows:

No person shall at any time willfully set a backfire, without first taking whatever precautions are necessary to notify and warn all persons physically located between the main fire and the backfire, that a backfire is about to be set.

HB 454, AN ACT relating to grain dealers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context requires otherwise:

(1) "Person" means an individual storing grain for others and issuing a receipt for such grain.

(2) "Firm" or "corporation" means an individual, corporation, partnership, or two or more persons having a joint or common interest in same venture, of storing grain for others and issuing a receipt for such grain.

(3) "Department" means the Kentucky Department of Agriculture.

(4) "Stored Grain" means grain received from an individual and stored for a fee charged to the owner.

(5) "Board" means the State Board of Agriculture.

(6) "Owner" means a person whose grain is in storage and has been issued a grain storage receipt.

Section 2. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

The board shall:

(1) Have general supervision of the administration of the provisions of this Act;

(2) Make and promulgate such regulations as are necessary or desirable to effectuate the purpose of this Act;

(3) Prepare and have printed under the same conditions as other state printing the necessary blanks, forms, and other printed matters that will be needed under this Act.

Section 3. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

Any person, firm, or corporation who shall accept grain for storage in this state shall first procure a license therefor from the department as required by the board before transacting such

business. Such license shall expire on June 30, and shall be renewed annually. The fee for each license shall be twenty-five dollars, which shall be deposited in a Trust and Agency Fund Account in the State Treasury to be used for carrying out the provisions of this Act.

Section 4. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

Application for license shall set forth the name of the applicant, its principal officer, if a corporation, or the active members of a partnership if a partnership, and the location or locations of the principal office or place of business and the locations in this state at which applicant proposes to engage in this business. Application must be accompanied by a bond as set forth in Section 5 of this Act. Applicant may, in lieu of posting bond, produce a financial statement that proves, after verification, net worth sufficient to cover the proposed liability incurred by storage. Such financial statement must be submitted 90 days prior to the effective day of the license.

Section 5. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

Each bond required shall be in such form and shall contain such reasonable terms and conditions for the protection of the public as the department shall prescribe, and shall be indorsed as surety by a bonding company authorized to do business in this state. No bond shall be cancelled by the surety on less than ninety days notice by certified mail to the department and the principal. The amount of the bond shall be computed as follows:

(1) For intended storage of grain in any quantity less than 20,000 bushels, the minimum amount of the bond shall be $6,000 plus $1,000 for each 2,000 bushels or fraction thereof in excess of 12,000 bushels up to a total of 20,000 bushels.

(2) For intended storage of grain in any quantity not less than 20,000 bushels and not more than 50,000 bushels, the minimum amount of the bond shall be $10,000 plus $1,000 for each 3,000 bushels or fraction thereof in excess of 20,000 bushels up to a total of 50,000 bushels.

(3) For intended storage of grain in any quantity not

less than 50,000 bushels and not more than 70,000 bushels, the minimum amount of the bond shall be $20,000 plus $1,000 for each 4,000 bushels or fraction thereof in excess of 50,000 bushels up to a total of 70,000 bushels.

(4) For intended storage of grain in any quantity not less than 70,000 bushels, the minimum amount of the bond shall be $25,000 plus $1,000 for each 5,000 bushels or fraction thereof in excess of 70,000 bushels.

Section 6. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

The license issued by the department shall be posted in the licensee's place of business in this state.

Section 7. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

All applications for license and documents accompanying license application shall be kept confidential and for use in licensing purposes only.

Section 8. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

Each licensee of a grain storage establishment shall keep in a safe place complete and correct records of the storage and withdrawal of all grain handled in each grain storage establishment which he is licensed to operate, and complete records of all original and duplicate receipts issued by him, returned to him and cancelled by him, which shall be available for inspection by the department.

Section 9. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

The department shall inspect the licensed elevator twice each year for the purpose of determining if grain is in storage or statements that show grain is accounted for, condition of storage facilities, and condition of grain in storage.

Section 10. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

A receipt for any grain stored must be issued at time of

storage. The receipt must show the following information: name and address of the person presenting grain for storage or the owner of the grain, whichever may be applicable; the type of grain stored; the amount of grain stored by bushels or weight; the moisture content of grain at the time of storage; foreign materials content at the time of storage where applicable; and grade of grain stored.

Section 11. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

The board shall, after denying an application for a license, if petitioned by the applicant within fifteen days of notification, or before suspending or revoking any license, set the matter down for a hearing, and shall, at least fifteen days prior to the date set for the hearing, notify the applicant or licensee in writing. The notice shall contain an exact statement of the charges made and the date and place of the hearing. Such written notice may be secured by personal delivery to the applicant or licensee or by mailing it by registered mail to his last known address. The hearing shall be at the time and place prescribed by the board.

Section 12. A new section of Chapter 251 of the Kentucky Revised Statutes is created to read as follows:

Any person who violates the provisions of this Act shall be fined $200 for the first offense. He shall be fined not less than $500 nor more than $1,000 and/or to be confined in the county jail for not less than sixty days nor more than 120 days for each subsequent offense. Each day of operation in violation of the provisions of this Act shall constitute a separate offense.

HB 521, AN ACT relating to weights and measures.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Section 1. When used in this Act:

(1) "Department" means the Kentucky Department of Agriculture.

(2) "Commissioner" means the Commissioner of Agriculture.

(3) "Division" means the Division of Weights and Measures.

(4) "Person" shall be construed to mean both the plural and singular, as the case demands, and shall include individuals, partnerships, corporations, companies, societies, and associations.

(5) "Weights and measures" shall be construed to mean all weights and measures of every kind, instruments and devices for weighing and measuring, and any appliances and accessories associated with any or all such instruments and devices, except that the term shall not be construed to include meters for the measurement of electricity, gas (natural or manufactured), or water when the same are operated in a public utility system. Such electricity, gas, and water meters are hereby specifically excluded from the purview of this Act, and none of the provisions of this Act shall be construed to apply to such meters or to any appliances or accessories associated therewith.

(6) "Sell" and "Sale" shall be construed to mean barter and exchange.

(7) "Director" shall be construed to mean the state director of weights and measures.

(8) "Inspector" shall be construed to mean a state inspector of weights and measures.

(9) "Sealer" and "deputy sealer" shall be construed to mean, respectively, a sealer of weights and measures and a deputy sealer of weights and measures of a city of the first, second, or third class.

(10) "Intrastate commerce" shall be construed to mean any and all commerce or trade that is begun, carried on, and completed wholly within the limits of the State of Kentucky, and the phrase "introduced into intrastate commerce" shall be construed to define the time and place at which the first sale and delivery of a commodity is made within the state, the delivery being made either directly to the purchaser or to a common carrier for shipment to the purchaser.

(11) "Commodity in package form" shall be construed to

mean commodity put up or packaged in any manner in advance of sale in units suitable for either wholesale or retail sale, exclusive, however, of any auxiliary shipping container enclosing packages that individually conform to the requirements of this Act. An individual item or lot of any commodity not in package form as defined in this section, but on which there is marked a selling price based on an established price per unit of weight or of measure, shall be construed to be commodity in package form.

(12) "Consumer package" or "package of consumer commodity" shall be construed to mean a commodity in package form that is customarily produced or distributed for sale through retail sales agencies or instrumentalities for consumption by individuals or use by individuals for the purposes of personal care or in the performance of services ordinarily rendered in or about the household or in connection with personal possessions.

(13) "Nonconsumer package" or "package of nonconsumer commodity" shall be construed to mean any commodity in package form other than a consumer package, and particularly a package designed solely for industrial or institutional use or for wholesale distribution only.

Section 2. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The system of weights and measures in customary use in the United States and the metric system of weights and measures are jointly recognized, and either one or both of these systems shall be used for all commercial purposes in the State of Kentucky. The definitions of basic units of weight and measure, the tables of weight and measure, and weights and measures equivalents, as published by the National Bureau of Standards are recognized and shall govern weighing and measuring equipment and transactions in the State.

Section 3. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

"Barrel" when used in connection with fermented liquor shall mean a unit of thirty-one gallons. The term "ton" shall mean a unit of 2,000 pounds avoirdupois weight. The term "cord" when used in connection with wood intended for fuel purposes shall

mean the amount of wood that is contained in a space of 128 cubic feet when the wood is ranked and well stowed.

Section 4. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Such weights and measures in conformity with the standards of the United States as have been supplied to the state by the federal government or otherwise obtained by the state for use as state standards shall, when the same shall have been approved as being satisfactory for use as such by the National Bureau of Standards, be the state standards of weight and measure. The state standards shall be kept in a safe and suitable place in the laboratory of the State Division of Weights and Measures, and shall not be removed from the said laboratory except for repairs or for calibration and approval.

Section 5. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

In addition to the state standards provided for in Section 4 of this Act, there shall be supplied by the State such "field standards" and such equipment as may be found necessary to carry out the provisions of this Act. The field standards shall be verified upon their initial receipt and, thereafter, as often as deemed necessary by the director by comparison with the state standards.

Section 6. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The power and duty to administer and enforce this Act is vested in the Department of Agriculture, and shall be exercised under the supervision of the Commissioner of Agriculture through the Division of Weights and Measures. The division shall be headed by a director appointed by the Commissioner of Agriculture; and shall have such personnel as may be determined and appointed by the commissioner.

Section 7. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

A bond, with sureties, to be approved by the Secretary of State, and conditioned upon the faithful performance of his duties and the safekeeping of any standards or equipment entrusted to his care, shall forthwith, upon his appointment, be given by the director in the penal sum of $5,000.

Section 8. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows.

The director shall have the custody of the state standards of weight and measure and of the other standards and equipment provided for by this Act, and shall keep accurate records of the same. The director shall enforce the provisions of this Act. He shall have and keep a general supervision over the weights and measures offered for sale, sold, or in use in the state. He shall annually, in the month of July, make to the commissioner a report on all of the activities of his office.

Section 9. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

(1) The director shall issue from time to time reasonable regulations for the enforcement of this Act, which regulations shall have the force and effect of law. These regulations may include

(a) Standards of net weight, measure, or count, and reasonable standards of fill for any commodity in package form,

(b) Rules governing the technical and reporting procedures to be followed and the report and record forms and marks of approval and rejection to be used by inspectors of weights and measures in the discharge of their official duties,

(c) Exemptions from the sealing or marking requirements of Section 15 of this Act with respect to weights and measures of such character or size that such sealing or marking would be inappropriate, impracticable, or damaging to the apparatus in question, and

(d) Rules governing the voluntary registration of servicemen and service agencies.

(2) These regulations shall include specifications, tolerances, and other technical requirements for weights and measures of the character of those specified in Section 11 of this Act, designed to eliminate from use without prejudice to apparatus that conforms as closely as practicable to the official standards, those

(a) That are not accurate,

(b) That are of such construction that they are faulty

(that is, that are not reasonably permanent in their adjustment or will not repeat their indications correctly), or

(c) That facilitate the perpetration of fraud.

The specifications, tolerances, and other technical requirements for commercial weighing and measuring devices, together with amendments thereto, as recommended by the National Bureau of Standards and published in National Bureau of Standards Handbook 44 and supplements thereto, or in any publication revising or superseding Handbook 44, shall be the specifications, tolerances, and other technical requirements for commercial weighing and measuring devices of the State of Kentucky, except insofar as specifically modified, amended, or rejected by a regulation issued by the director. For the purposes of this Act, apparatus shall be deemed to be "correct" when it conforms to all applicable requirements promulgated as specified in this section. Other apparatus shall be deemed to be "incorrect."

Section 10. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The director, at least once every five years, shall test the standards of weight and measure procured by any city or county for which the appointment of a sealer of weights and measures is provided by this Act, and shall approve the same when found to be correct, and he shall inspect such standards at least once every two years. He shall from time to time test all weights and measures used in checking the receipt or disbursement of supplies in every institution for the maintenance of which monies are appropriated by the legislature, reporting his findings, in writing, to the supervisory board and the executive officer of the institution concerned.

Section 11. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

When not otherwise provided by law, the director shall have the power to inspect and test, to ascertain if they are correct, all weights and measures kept, offered, or exposed for sale. It shall be the duty of the director, within a twelve-month period, or less frequently if in accordance with a schedule issued by him, and as much oftener as he may deem necessary, to inspect and test to ascertain if they are correct, all weights and measures commercially used.

(1) In determining the weight, measurement, or count of commodities or things sold, or offered or exposed for sale, on the basis of weight, measure, or of count, or

(2) In computing the basic charge or payment for services rendered on the basis of weight, measure, or of count:

Provided, that with respect to single-service devices (that is, devices designed to be used commercially only once and to be then discarded) and with respect to devices uniformly mass-produced, as by means of a mold or die, and not susceptible of individual adjustment, tests may be made on representative samples of such devices; and the lots of which such samples are representative shall be held to be correct or incorrect upon the basis of the results of the inspections and tests on such samples.

Section 12. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The director shall investigate complaints made to him concerning violations of the provisions of this Act, and shall, upon his own initiative, conduct such investigations as he deems appropriate and advisable to develop information on prevailing procedures in commercial quantity determination and on possible violations of the provisions of this Act and to promote the general objective of accuracy in the determination and representation of quantity in commercial transactions.

Section 13. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The director shall, from time to time, weigh or measure and inspect packages or amounts of commodities kept, offered, or exposed for sale, sold, or in the process of delivery, to determine whether the same contain the amounts represented and whether they be kept, offered, or exposed for sale or sold in accordance with law. When such packages or amounts of commodities are found not to contain the amounts represented, or are found to be kept, offered, or exposed for sale in violation of law, the director may order them off sale and may so mark or tag them as to show them to be illegal. In carrying out the provisions of this section, the director may employ recognized sampling procedures under which the compliance of a given lot of packages will be determined on the basis of the result obtained on a sample selected from and representative of such lot. No person shall

(1) Sell, or keep, offer, or expose for sale, in intrastate commerce, any package or amount of commodity that has been ordered off sale or marked or tagged as provided in this section unless and until such package or amount of commodity has been brought into full compliance with all legal requirements, or

(2) Dispose of any package or amount of commodity that has been ordered off sale or marked or tagged as provided in this section and that has not been brought into compliance with legal requirements, in any manner, except with the specific approval of the director.

Section 14. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The director shall have the power to issue stop-use orders, stop-removal orders, and removal orders with respect to weights and measures being, or susceptible of being, commercially used, and to issue stop-removal orders and removal orders with respect to packages or amounts of commodities kept, offered, or exposed for sale, sold, or in process of delivery, whenever in the course of his enforcement of the provisions of this Act he deems it necessary or expedient to issue such orders, and no person shall use, remove from the premises specified, or fail to remove from the premises specified, any weight, measure, or package or amount of commodity contrary to the terms of a stop-use order, stop-removal order, or removal order issued under the authority of this section.

Section 15. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The director shall approve for use, and seal or mark with appropriate devices, such weights and measures as he finds upon inspection and test to be "correct" as defined in Section 9 of this Act, and shall reject and mark or tag as "rejected" such weights and measures as he finds, upon inspection or test, to be "incorrect" as defined in Section 9 of this Act, but which in his best judgment are susceptible of satisfactory repair:

Provided, That such sealing or marking shall not be required with respect to such weights and measures as may be exempted therefrom by a regulation of the director issued under the authority of Section 9 of this Act. The director shall condemn, and may

seize and destroy, weights and measures found to be incorrect that, in his best judgment, are not susceptible of satisfactory repair. Weights and measures that have been rejected may be confiscated and may be destroyed by the director if not correct as required by Section 21 of this Act, or if used or disposed of contrary to the requirements of Section 21 of this Act.

Section 16. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

With respect to the enforcement of this Act and any other Acts dealing with weights and measures that he is or may be empowered to enforce, the director is hereby vested with special police powers, and is authorized to arrest, without formal warrant, any violator of the said Acts, and to seize for use as evidence, without formal warrant, incorrect or unsealed weights and measures or amounts or packages of commodity found to be used, retained, offered, or exposed for sale or sold in violation of law. In the performance of his official duties, the director is authorized to enter and go into or upon, without formal warrant, any structure or premises, and to stop any person whatsoever and to require him to proceed, with or without any vehicle of which he may be in charge, to some place which the director may specify.

Section 17. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The powers and duties given to and imposed upon the director by sections 10, 11, 12, 13, 14, 15, 16, 20, and 37 of this Act are hereby given to and imposed upon the deputy director and inspectors also when acting under the instructions and at the direction of the director.

Section 18. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Any city of the first, second or third class shall have power, by ordinance, to provide for a city sealer of weights and measures, with necessary assistants. When any such city establishes the position of city sealer, it shall procure from the department, at the expense of the city, a set of working standards of weights and measures certified by the department as a correct copy of the office standard of the department, and sealed by the department in the same manner as the working standards of the department.

The city sealer shall have the same powers within the city as are conferred upon the department by KRS 363.240 to 363.260, such powers to be exercised under the general control or supervision of the department. The city working standards shall be submitted to the department for verification at least once each five years. The department shall have power to inspect the standards and other weighing and measuring apparatus used by city sealers and to inspect the work of the city sealers. The department may prescribe regulations for the guidance of the city sealers, which regulations shall govern the procedure to be followed by city sealers in the discharge of their duties.

Section 19. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The sealer of a city, and his deputy sealers when acting under his instructions and at his direction, shall have the same powers and shall perform the same duties within the city for which appointed as are granted to and imposed upon the director by sections 11, 12, 13, 14, 15, 16, and 37 of this Act.

Section 20. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

In cities for which sealers of weights and measures have been appointed as provided for in this Act, the director shall have concurrent authority to enforce the provisions of this Act.

Section 21. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Weights and measures that have been rejected under the authority of the director or of a sealer shall remain subject to the control of the rejecting authority until such time as suitable repair or disposition thereof has been made as required by this section. The owners of such rejected weights and measures shall cause the same to be made correct within thirty days or such shorter period as may be authorized by the rejecting authority; or, in lieu of this, may dispose of the same, but only in such manner as is specifically authorized by the rejecting authority. Weights and measures that have been rejected shall not again be used commercially until they have been officially reexamined and found to be correct, or until specific written permission for

such use is issued by the rejecting authority, or until the rejection tag has been removed and the rejected device repaired and placed in service by a person duly registered to perform such acts under a regulation issued by the director for the registration of weights and measures servicemen and service agencies.

Section 22. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Commodities in liquid form shall be sold only by liquid measure or by weight, and, except as otherwise provided in this Act, commodities not in liquid form shall be sold only by weight, by measure of length or area, or by count: provided, that liquid commodities may be sold by weight and commodities not in liquid form may be sold by count only if such methods give accurate information as to the quantity of commodity sold: and provided further, that the provisions of this section shall not apply

(1) To commodities when sold for immediate consumption on the premises where sold,

(2) To vegetables when sold by head or bunch,

(3) To commodities in containers standardized by a law of this state or by federal law,

(4) To commodities in package form when there exists a general consumer usage to express the quantity in some other manner,

(5) To concrete aggregates, concrete mixtures, and loose solid materials such as earth, soil, gravel, crushed stone, and the like, when sold by cubic measure, or

(6) To unprocessed vegetable and animal fertilizer when sold by cubic measure.

The director may issue such reasonable regulations as are necessary to assure that amounts of commodity sold are determined in accordance with good commercial practice and are so determined and represented as to be accurate and informative to all parties at interest.

Section 23. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Except as otherwise provided in this Act, any commodity in package form introduced or delivered for introduction into or received in intrastate commerce, kept for the purpose of sale, or offered or exposed for sale in intrastate commerce, shall bear on the outside of the package such definite, plain, and conspicuous declarations of

(1) The identity of the commodity in the package unless the same can easily be identified through the wrapper or container,

(2) The net quantity of the contents in terms of weight, measure, or count, and

(3) In the case of any package kept, offered, or exposed for sale, or sold in any place other than on the premises where packed, the name and place of business of the manufacturer, packer, or distributor, as may be prescribed by regulation issued by the director.

Provided, That in connection with the declaration required under subsection (2), neither the qualifying term "when packed" or any words of similar import, nor any term qualifying a unit of weight, measure, or count (for example, "jumbo," "giant," "full," and the like) that tends to exaggerate the amount of commodity in a package shall be used; and provided further, That under subsection (2) the director shall, by regulation, establish reasonable variations to be allowed, which may include variations below the declared weight or measure caused by ordinary and customary exposure, only after the commodity is introduced into intrastate commerce, to conditions that normally occur in good distribution practice and that unavoidably result in decreased weight or measure, exemptions as to small packages, and exemptions as to commodities put up in variable weights or sizes for sale intact and either customarily not sold as individual units or customarily weighed or measured at time of sale to the consumer.

Section 24. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

In addition to the declarations required by Section 23 of this Act, any commodity in package form, the package being one of a lot containing random weights, measures, or counts of the same commodity and bearing the total selling price of the package,

shall bear on the outside of the package a plain and conspicuous declaration of the price per single unit of weight, measure, or count.

Section 25. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

No commodity in package form shall be so wrapped, nor shall it be in a container so made, formed, or filled as to mislead the purchaser as to the quantity of the contents of the package, and the contents of a container shall not fall below such reasonable standard of fill as may have been prescribed for the commodity in question by the director.

Section 26. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Whenever a commodity in package form is advertised in any manner and the retail price of the package is stated in the advertisement, there shall be closely and conspicuously associated with such statement of price a declaration of the basic quantity of contents of the package as is required by law or regulation to appear on the package: provided, that, where the law or regulation requires a dual declaration of net quantity to appear on the package, only the declaration that sets forth the quantity in terms of the smaller unit of weight or measure (the declaration that is required to appear first and without parentheses on the package) need appear in the advertisement: and provided further, that there shall not be included as part of the declaration required under this section such qualifying terms as "when packed," "minimum," "not less than," or any other terms of similar import, nor any term qualifying a unit of weight, measure, or count (for example, "jumbo," "giant," "full," and the like) that tends to exaggerate the amount of commodity in the package.

Section 27. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The word "weight" as used in this Act in connection with any commodity shall mean net weight. Whenever any commodity is sold on the basis of weight, the net weight of the commodity shall be employed, and all contracts concerning commodities shall be so construed.

Section 28. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Whenever any commodity or service is sold, or is offered, exposed, or advertised for sale, by weight, measure, or count, the price shall not be misrepresented, nor shall the price be represented in any manner calculated or tending to mislead or deceive an actual or prospective purchaser. Whenever an advertised, posted, or labeled price per unit of weight, measure, or count includes a fraction of a cent, all elements of the fraction shall be prominently displayed and the numeral or numerals expressing the fraction shall be immediately adjacent to, of the same general design and style as, and at least one-half the height and width of the numerals representing the whole cents.

Section 29. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Except for immediate consumption on the premises where sold, or as one of several elements comprising a ready-to-eat meat sold as a unit for consumption elsewhere than on the premises where sold, all meat, meat products, poultry (whole or parts), and all seafood except shellfish, offered or exposed for sale or sold as food shall be offered or exposed for sale and sold by weight. When meat, poultry, or seafood is combined with or associated with some other food element or elements to form either a distinctive food product or a food combination, such food product or combination shall be offered or exposed for sale and sold by weight, and the quantity representation may be the total weight of the product or combination, and a quantity representation need not be made for each of the several elements of the product or combination: provided, that, for ready-to-cook, whole carcass, stuffed poultry, ready-to-cook stuffed poultry roasts, rolls, bars, and logs, and ready-to-cook stuffed poultry products designated by terms of similar import, the label must show the total net weight of the poultry product and, in proximity thereto, a statement specifying the minimum weight of poultry in the product.

Section 30. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

When a vehicle delivers to an individual purchaser a commodity in bulk, and the commodity is sold in terms of weight

units, the delivery shall be accompanied by a duplicate delivery ticket with the following information clearly stated, in ink or by means of other indelible marking equipment and, in clarity, equal to type or printing.

(1) The name and address of the vendor,

(2) The name and address of the purchaser, and

(3) The net weight of the delivery expressed in pounds, and, if the net weight is derived from determinations of gross and tare weights, such gross and tare weights also shall be stated in terms of pounds.

One of these tickets shall be retained by the vendor, and the other shall be delivered to the purchaser at the time of delivery of the commodity, or shall be surrendered, on demand, to the director, or the deputy director or the inspector, or the sealer or deputy sealer, who, if he desires to retain it as evidence shall issue a weight slip in lieu thereof for delivery to the purchaser: provided, that if the purchaser, himself, carries away his purchase, the vendor shall be required only to give to the purchaser at the time of sale a delivery ticket stating the number of pounds of commodity delivered to him.

Section 31. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

All furnace and stove oil shall be sold by liquid measure or by net weight in accordance with the provisions of Section 22 of this Act. In the case of each delivery of such liquid fuel not in package form and in an amount greater than ten gallons in the case of sale by liquid measure or 100 pounds in the case of sale by weight, there shall be rendered to the purchaser, either at the time of delivery or within a period mutually agreed upon in writing or otherwise between the vendor and the purchaser, a delivery ticket or a written statement on which, in ink or by means of other indelible marking equipment and, in clarity, equal to type or printing, there shall be clearly stated

(1) The name and address of the vendor,

(2) The name and address of the purchaser,

(3) The identity of the type of fuel comprising the delivery,

(4) The unit price (that is, the price per gallon or per pound, as the case may be) of the fuel delivered.

(5) In the case of sale by liquid measure, the liquid volume of the delivery, together with any meter readings from which such liquid volume has been computed, expressed in terms of the gallon and its binary or decimal subdivisions, and

(6) In the case of sale by weight, the net weight of the delivery, together with any weighing scale readings from which such net weight has been computed, expressed in terms of tons or pounds avoirdupois.

Section 32. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Berries and small fruits shall be offered and exposed for sale and sold by weight, or by measure in open containers having capacities of 1/2 dry pint, 1 dry pint, or 1 dry quart: provided, that the marking provisions of Section 23 of this Act shall not apply to such containers.

Section 33. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Fractional parts of any unit of weight or measure shall mean like fractional parts of the value of such unit as prescribed or defined in Sections 2 and 3 of this Act, and all contracts concerning the sale of commodities and services shall be construed in accordance with this requirement.

Section 34. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Any person who shall hinder or obstruct in any way the director, the deputy director, or any one of the inspectors, or a sealer or deputy sealer, in the performance of his official duties shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than $100 or more than $500 or by imprisonment for not more than three months, or by both such fine and imprisonment.

Section 35. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Any person who shall impersonate in any way the director, the deputy director, or any one of the inspectors, or a sealer or deputy sealer, by the use of his seal or a counterfeit of his seal,

or in any other manner, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than $100 or more than $500, or by imprisonment for not more than one year, or by both such fine and imprisonment.

Section 36. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Any person who, by himself or by his servant or agent, or as the servant or agent of another person, performs any one of the acts enumerated in subsections (1) through (9) of this section shall, for each offense, be fined not less than $100 or more than $500, or imprisoned for not less than three months or more than twelve months, or both.

(1) Use or have in possession for the purpose of using for any commercial purpose specified in Section 11, sell, offer, or expose for sale or hire, or have in possession for the purpose of selling or hiring, an incorrect weight or measure or any device or instrument used to or calculated to falsify any weight or measure.

(2) Use, or have in possession for the purpose of current use for any commercial purpose specified in Section 11, a weight or measure that does not bear a seal or mark such as is specified in Section 15, unless such weight or measure has been exempted from testing by the provisions of Section 11 or by a regulation of the director issued under the authority of Section 9, or unless the device has been placed in service as provided by a regulation of the director issued under the authority of Section 9 of this Act.

(3) Dispose of any rejected or condemned weight or measure in a manner contrary to law or regulation.

(4) Remove from any weight or measure, contrary to law or regulation, any tag, seal, or mark placed thereon by the appropriate authority.

(5) Sell, or offer or expose for sale, less than the quantity he represents of any commodity, thing, or service.

(6) Take more than the quantity he represents of any commodity, thing, or service, when, as buyer, agent, or receiver, he furnishes the weight or measure by means of which the amount of the commodity, thing, or service is determined.

(7) Keep for the purpose of sale, advertise, or offer or expose for sale, or sell any commodity, thing, or service in a condition or manner contrary to law or regulation.

(8) Use in retail trade, except in the preparation of packages put up in advance of sale and of medical prescriptions, a weight or measure that is not so positioned that its indications may be accurately read and the weighing or measuring operation observed from some position which may reasonably be assumed by a customer.

(9) Violate any provision of this Act or of the regulations promulgated under the provisions of this Act for which a specific penalty has not been prescribed.

Section 37. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

The director is authorized to apply to any court of competent jurisdiction for, and such court upon hearing and for cause shown may grant, a temporary or permanent injunction restraining any person from violating any provision of this Act.

Section 38. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

For the purposes of this Act, proof of the existence of a weight or measure or a weighing or measuring device in or about any building, enclosure, stand, or vehicle in which or from which it is shown that buying or selling is commonly carried on, shall, in the absence of conclusive evidence to the contrary, be presumptive proof of the regular use of such weight or measure or weighing or measuring device for commercial purposes and of such use by the person in charge of such building, enclosure, stand, or vehicle.

Section 39. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

Prosecutions for violation of any provision of this Act are declared to be valid and proper, notwithstanding the existence of any other valid general or specific Act of this State dealing with matters that may be the same as or similar to those covered by this Act.

Section 40. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality of the remainder of the Act and the applicability thereof to other persons and circumstances shall not be affected thereby.

Section 41. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

All laws and parts of laws contrary to or inconsistent with the provisions of this Act, and specifically KRS 363.010 to 363.990 are repealed insofar as they might operate in the future; but as to offenses committed, liabilities incurred, and claims now existing thereunder, the existing law shall remain in full force and effect.

Section 42. A new section of Chapter 363 of the Kentucky Revised Statutes is created to read as follows:

This Act may be cited as the "Weights and Measures Act of Kentucky."

The Committee on Rules reported **HB 389** with Committee Amendment attached thereto, **HB 182** with Committee Amendment attached thereto, **HB 23** with Committee Substitute and Committee Amendment to Committee Substiute for **HB 23** attached thereto, **HB 82, HB 118** with Committee Substitute attached thereto, **HB 217** with Committee Substitute attached thereto, **HB 237, HB 260, HB 317** with Committee Amendments attached thereto, **HB 319, HB 353** with Committee Amendment attached thereto, **HB 370, HB 418, HB 444, HB 465, HB 478, HB 483, HB 491, SB 34** with Committee Amendment attached thereto, **SB 115**, and **SB 132** have been posted for passage in Orders of the Day, February 26, 1970.

Calendar

HB 363, HB 369 and **HB 79** taken from the Calendar and ordered read at length for the second time. Representative Mc-

Brayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 66** and **SB 10** had been examined and found correctly enrolled. **SB 66** and **SB 10** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Motions, Petitions and Communications

At the request of the Sponsor, **HB 450** is being taken from the Committee on Appropriations and Revenue and referred to the Committee on Education.

Representative Allen announced the following co-sponsors of **HB 52:** Representatives McNamara, McKinney and W. J. Reynolds.

The Speaker announced Representative Chapman is co-sponsor of **HB 584.**

Representative Freeman filed an amendment to **SB 139.**

Representative J. O. Hardin filed an amendment to **SB 139.**

The following roll call was taken on the question of inviting Governor Rhodes of Ohio to address the General Assembly on March 9, 1970:

On the roll call the vote was yeas 49—Alexander, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carter, Clarke, Collins, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Dorris, Durham, Floyd, Freeman, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Keith, Kenton, Kleier, Knuckles, Lindsay, McBride, McCann, McKinney, Miller, Osborne, Paxton, Pollitte, Rattliff, Schmidt, Sharpe, Simmons, Stuart, Wells, West, Wheeler, John E. White, Wible. Nays 29—Allen, Arnett, Blume,

Bruce, Conn, Deskins, Graves, Isler, King, Louden, Lovins, Mershon, Mitchell, Nett, Peak, Ray, Reed, T. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Siemens, Van Horn, Wenz, G. White, Wyatt, Yocom.

The House of Representatives voted to invite Governor Rhodes of Ohio to address a Joint Session on March 9, 1970.

Orders of the Day

HB 112, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative J. O. Hardin moved the adoption of the Committee Amendment to **HB 112.**

Representative Mitchell moved that a roll call be taken on the adoption of the Committee Amendment to **HB 112.** Agreed.

On the roll call the vote was yeas 36—Baker, Blume, Clarke, Conn, Deskins, Durham, Graves, John O. Hardin, Head, Huff, Hughes, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Lovins, McBride, McCann, May, Mershon, Nett, Osborne, Prather, Priddy, Ray, Rickert, Schmidt, Siemens, Swinford, Van Horn, Glenn White, John E. White, Wible, Wyatt. Nays 50—Allen, Arnett, Bartley, Blandford, Bleemel, Blythe, A. Brown, E. G. Brown, H. Brown, Bruce, Chapman, Clapp, Collins, Curlin, J. A. Davis, W. Davis, Donnermeyer, Freeman, Haney, L. Hardin, Hinkle, Isler, Keene, Keith, Kenton, Kleier, Louden, McKinney, McNamara, Massey, Miller, Mitchell, Murphy, Parish, Paxton, Peak, Pollitte, Rattliff, Reed, R. Reynolds, T. Reynolds, W. J. Reynolds, Ruh, Salyers, Sharpe, Simmons, Stuart, Wells, Wenz, Wheeler.

The motion that the Committee Amendment to **HB 112** be adopted was rejected.

Representative Mitchell moved that the vote by which the

Committee Amendment to **HB 112** was rejected be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Ray moved that **HB 112** be laid on the Clerk's desk.

On the roll call the vote was yeas 22–Blume, Conn, Deskins, Durham, Graves, John O. Hardin, Kessinger, King, Lewis, Lovins, May, Nett, Priddy, Ray, Schmidt, Siemens, Swinford, Van Horn, West, Wible, Wyatt, Yocom. Nays 55–Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, A. Brown, E. G. Brown, H. Brown, Bruce, Chapman, Clapp, Collins, Curlin, J. Davis, W. Davis, Donnermeyer, Dorris, Floyd, Freeman, Haney, L. Hardin, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kleier, Lindsay, Louden, McBride, Massey, Mitchell, Osborne, Parish, Paxton, Peak, Pollitte, Rattliff, R. Reynolds, T. Reynolds, W. J. Reynolds, Rickert, Salyers, Sharpe, Simmons, Stuart, Tobin, Wells, Wenz, Wheeler, J. White.

The motion that **HB 112** be laid on the Clerk's desk was rejected.

On the roll call the vote was yeas 64–Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Chapman, Clapp, Collins, Curlin, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Dorris, Floyd, Freeman, Haney, L. T. Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Knuckles, Lindsay, Louden, McBride, McKinney, Massey, Mershon, Miller, Mitchell, Murphy, Osborne, Parish, Paxton, Peak, Pollitte, Rattliff, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Salyers, Sharpe, Simmons, Stuart, Tobin, Wells, Wenz, West, Wheeler, John E. White. Nays 26–Blume, Clarke, Conn, Deskins, Durham, Graves, J. Hardin, Huff, Lewis, Lovins, McCann, May, Nett, Prather, Priddy, Ray, Rickert, Roberts, Schmidt, Siemens, Swinford, Van Horn, G. White, Wible, Wyatt, Yocom.

HB 112 was passed and the title agreed to.

Representative Mitchell moved that the vote by which **HB 112** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Prather moved that consideration of **HB 65, HB 95** and **HB 275** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 360, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative Prather moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bruce moved the adoption of the Committee Amendment to **HB 360.** Agreed.

On the roll call the vote was yeas 93—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Sharpe, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 1—Lindsay.

HB 360 as amended was passed and the title agreed to.

Representative Prather moved that the vote by which **HB 360** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 311 taken from Orders of the Day and ordered read at length for the third time. Representative Prather moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis,

Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 311 was passed and the title agreed to.

Representative Prather moved that the vote by which **HB 311** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 28 taken from Orders of the Day and ordered read at length for the third time. Representative Prather moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 79—Alexander, Allen, Arnett, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Parish, Paxton, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Siemens, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Wible, Wyatt, Yocom. Nays 6—Huff, McKinney, Osborne, Peak, G. White, J. White.

SB 28 was passed and the title agreed to.

Representative Prather moved that the vote by which **SB 28** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Prather moved that consideration of **HB 125**

be deferred and that it retain its position in Orders of the Day. Agreed.

HB 223, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative Prather moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Bruce moved the adoption of the Committee Amendment to **HB 223**. Agreed.

On the roll call the vote was yeas 87—Alexander, Arnett, Baker, Bartley, Blandford, Bleemel, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lindsay, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 2—Lewis, Salyers.

HB 223 as amended was passed and the title agreed to.

Representative Prather moved that the vote by which **HB 223** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Prather moved that consideration of **HJR 48, SB 65** and **HB 123** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 239, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative Prather moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Knuckles moved the adoption of the Committee Amendment to **HB 239.** Agreed.

On the roll call the vote was yeas 83—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBride, McCann, McKinney, Massey, May, Mershon, Miller, Mitchell, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, West, Wheeler, Glenn White, John E. White, Wible, Wyatt. Nays 0.

HB 239 as amended was passed and the title agreed to.

Representative Prather moved that the vote by which **HB 239** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **SB 245, SB 265, HB 5** and **HB 300.**

Report on Enrolled Bills

The Committee on Enrollment reported **SB 61** and **SB 197** had been examined and found correctly enrolled. **SB 61** and **SB 197** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 383 taken from Orders of the Day and ordered read at length for the third time. Representative Prather moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 95—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 383 was passed and the title agreed to.

Representative Prather moved that the vote by which **HB 383** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 402 taken from Orders of the Day and ordered read at length for the third time. Representative Prather moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 402 was passed and the title agreed to.

Representative Prather moved that the vote by which **HB 402** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 52 taken from Orders of the Day. Representative Prather moved that it be placed upon its passage. Agreed.

Representative Massey moved the adoption of **HR 52.** Agreed.

HR 52, A RESOLUTION requesting the Kentucky Department of Highways to name a roadside park in honor of William Taylor Runner.

WHEREAS, the system of roadside parks is an economical yet attractive convenience that Kentucky highways afford the traveling public in general, and out-of-state tourists in particular; and

WHEREAS, these parks that dot the Commonwealth symbolize the Highway Department's concern for the comfort and safety of motorists, as well as proclaim a public policy dedicated to roadside beauty and conservation; and

WHEREAS, the first roadside park in this state-wide system was built on U.S. 31-W three miles south of Bowling Green at Lost River, largely through the energy and interest of William Taylor Runner of Bowling Green, a veteran employe of the State Highway Department whose road career began in 1930; and

WHEREAS, the dedication to roadside beauty and conservation of this loyal and long-time employe resulted in his 1947 assignment to the full-time supervision of highway beautification and roadside park construction in the state-wide system of Kentucky highways; and

WHEREAS, William Taylor Runner died November 29, 1969, at the age of 79, following a distinguished career that combined long tenure in the State Department of Highways with service in the U. S. Army, commencing with the Mexican Border campaign and ending with World War I;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives, urgently requests the Highway Department of Kentucky to name the roadside park on U.S. 31-W at Lost River the William Taylor Runner Roadside Park;

Section 2. That a suitable plaque be erected at the park, setting forth that it was the first such park constructed in Kentucky and citing the dedicated interest of William Taylor Runner in highway beautification in general and roadside parks in particular.

Section 3. That copies of this resolution be mailed by the Clerk of the House to the Kentucky Commissioner of Highways; the chief engineer of the Kentucky Highway Department; the secretary of Kentucky Historical Society; and to the honoree's widow, Mrs. William Taylor Runner, 1350 Park Street, Bowling Green, Kentucky 42101.

HR 53 taken from Orders of the Day. Representative Prather moved that it be placed upon its passage. Agreed.

Representative Haney moved the adoption of **HR 53.**

On the roll call the vote was yeas 84—Allen, Arnett, Baker, Archie Brown, Hershel Brown, Bruce, Carroll, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HR 53 was adopted.

HR 53, A RESOLUTION requesting establishment of research centers to study the medical aspects of coal workers' pneumoconiosis.

WHEREAS, the legislature of the Commonwealth of Kentucky is deeply concerned about the effects of coal workers' pneumoconiosis on the health of miners in the Commonwealth of Kentucky; and

WHEREAS, medical experts agree that too little is known about the diagnosis and treatment of coal workers' pneumoconiosis and

WHEREAS, the amount of coordinated research and the medical aspects of coal workers' pneumoconiosis in the United States is woefully inadequate, thus giving little hope for answers to diagnosis and treatment problems in the foreseeable future; and

WHEREAS, at the recent international conference on the medical aspect of coal workers' pneumoconiosis sponsored by Spindletop Research, 20 of the world's most renowned experts on coal workers' pneumoconiosis recommended most strongly and urgently the establishment of research centers for the study of the disease;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the legislature of the Commonwealth of Kentucky strongly recommends that the Kentucky Program Development Office request the Appalachian Regional Commission and federal agencies having responsibilities and concern for miners' health to establish medical research centers in both the east Kentucky and west Kentucky coal fields for the coordinated study of the medical aspects of coal workers' pneumoconiosis.

Representative Haney moved that the vote by which **HR 53** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 54 taken from Orders of the Day. Representative Prather moved that it be placed upon its passage. Agreed.

Representative Haney moved the adoption of **HR 54.** Agreed.

HR 54, A RESOLUTION requesting seminars to distribute information about coal workers' pneumoconiosis.

WHEREAS, the legislature of the Commonwealth of Kentucky is deeply concerned about the effects of coal workers' pneumoconiosis on the health of miners in the Commonwealth; and

WHEREAS, proper courses of action in the prevention of coal workers' pneumoconiosis and the rehabilitation of those afflicted with the disease are not widely understood by the medical and legal profession and by the lay public; and

WHEREAS, the legislature of the Commonwealth of Kentucky is concerned that the coal operators and miners of the Commonwealth receive the benefits of the most up-to-date information regarding coal workers' pneumoconiosis; and

WHEREAS, there is an urgent and critical need to bring together in a public forum the acknowledged experts in the field of prevention and rehabilitation of coal workers' pneumoconiosis;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

The Legislature of the Commonwealth of Kentucky strongly recommends that the Kentucky Program Development Office request the Appalachian Regional Commission to fund a series of public seminars for the purpose of bringing forth what is known about the prevention of coal workers' pneumoconiosis and the rehabilitation of its victims.

HB 125 taken from Orders of the Day and ordered read at length for the third time. Representative Prather moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 80—Allen, Arnett, Baker, Bleemel, Blume, Archie Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Conn, Curlin, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier,

Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Sharpe, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt. Nays 1—Collins.

HB 125 was passed and the title agreed to.

Representative Curlin moved that the vote by which **HB 125** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 556, HB 562, HB 563, HR 60.**

Business Organizations and Professions: **HB 557, HB 564, SB 92, SB 191.**

Cities: **SB 186, SB 213, HB 555.**

Counties and Special Districts: **HB 548, HB 559, SB 89.**

Elections and Constitutional Amendments: **HB 549.**

Health and Welfare: **HB 546, HB 558, SB 152.**

Judiciary: **HB 550, HB 554, SB 192.**

Labor and Industry: **HB 545, HB 547, HB 560, HB 561, SB 182.**

Public Utilities and Transportation: **HB 552, HB 553, SB 212.**

State Government: **HB 543, HB 544, HB 551, HR 63.**

Rules: **HR 61.**

Report on Enrolled Bills

The Committee on Enrollment reported **HB 5** and **HB 300** had been examined and found correctly enrolled. **HB 5** and **HB 300** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Recess

Representative J. O. Hardin moved that the House recess for forty-five minutes and that when the House adjourns today it do so by voice vote. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Counties and Special Districts: **HB 151, HB 494, HB 235, HB 241, HB 510, HB 516.** (Room 402, February 26, 1970, 11:00 a.m.)

Appropriations and Revenue: **HB 392, HB 315, HB 498, HB 451, HB 452, HB 104, HB 528, HB 252, HB 253, HB 341, HB 301, HB 468.** (Room 402, Special Meeting on adjournment, February 26, 1970)

Education: **HB 501, HB 519, HB 529, HB 535, HB 541, HR 55, HR 56, HB 481, HB 306, HB 450.** (Room 401, February 26, 1970, 10:00 a.m.)

Banking and Insurance: **SB 206, HB 461.** (Room 401, February 26, 1970, on adjournment)

State Government: **HJR 63, HB 233, HB 242, HB 244, HB 258, HB 401.** (Room 327, February 26, 1970, 10:00 a.m.)

Cities: **HB 106, HB 509, HB 9.** (Room 401, February 26, 1970, 11:00 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Agriculture and Natural Resources: **HB 362.**

Education: **HB 412.**

The Clerk announced a meeting of the Committee on Judiciary thirty minutes after adjournment, February 25, 1970, Room 404.

The Clerk announced a meeting of the Committee on Banking and Insurance on adjournment, February 26, 1970, Room 401.

Representative Stuart filed an amendment to **HB 98.**

Representative Roberts moved that the Rules be suspended for the Report of Committee and Introduction of Bills and Resolutions. Agreed.

Report of Committees

The Committee on Highways and Traffic Safety reported **SB 125** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 125, AN ACT relating to highways.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (2) of Section 189.560 of the Kentucky Revised Statutes is amended to read as follows:

(2) Whenever the tracks of any railroad or interurban railway over which regularly scheduled trains or cars are operated cross a *state maintained* highway at grade, the department may designate that crossing as "unsafe," and no operator of any vehicle shall cross the crossing without first bringing his vehicle to a full stop at not less than ten feet, nor more than thirty feet, from the nearest rail of the tracks.

Introduction of Bills and Resolutions

HB 599, by Representative Curlin: AN ACT relating to policemen and firemen.

HB 600, by Representative Peak: AN ACT relating to county children's bureaus.

Announcements

Representative Ruh announced a meeting of the Committee on Elections and Constitutional Amendments, February 27, 1970, 11:00 a.m., Room 401.

Representative Roberts moved that the House adjourn until 1:00 p.m., Thursday, February 26, 1970. Agreed.

THURSDAY, FEBRUARY 26, 1970

FORTY-FIRST LEGISLATIVE DAY

The House was called to order by Speaker Carroll.

Prayer by the Reverend Herman M. Bowers, First Baptist Church, Frankfort.

The roll was called. All present except Representatives Bartley, Bleemel, Keene, McGill, Paxton, Rattliff and West.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 25, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 601, by Representatives Keene and Schmidt: AN ACT relating to common school finances.

HB 602, by Representative Lewis: AN ACT relating to depositions.

HB 603, by Representative DeMarcus: AN ACT relating to the establishment of a burial ground for commemoration of citizens of Kentucky killed in military services.

HB 604, by Representative Kleier: AN ACT relating to cruelty to horses.

HB 605, by Representative Kleier: AN ACT relating to television and radio repairmen.

HB 606, by Representative Curlin: AN ACT relating to healing arts.

HB 607, by Representative Curlin: AN ACT relating to the use of ionizing radiation.

HB 608, by Representative Curlin: AN ACT relating to chiropractic.

HB 609, by Representative Baker: AN ACT relating to the transfer of securities.

HB 610, by Representatives Stuart, Yocom, Conn, Nett, Wyatt, Blythe, Holloway, Blume and Kidd: AN ACT relating to Finance and Revenue for a county containing a city of the first class.

Report of Committees

The Committee on Judiciary reported **HB 54** with Committee Amendment attached thereto, **HB 56** with Committee Amendment attached thereto, **HB 148** with Committee Amendment attached thereto, **HB 168** with Committee Substitute attached thereto, **HB 294, HB 331** with Committee Amendment attached thereto, **HB 430** with Committee Amendment attached thereto, **HB 480, SB 108** and **SB 151** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 54, AN ACT relating to judicial districts.

WHEREAS, the General Assembly has given due regard to the elements of territory, business and population involved in the division of the state into judicial districts; and

WHEREAS, with such due regard, the General Assembly has found the following facts to exist:

(1) That the entire population of the state as of the last preceding Federal census is 3,038,156.

(2) That upon the basis of such population, additional judicial districts may be established to those now existing, pursuant to Sections 128 and 132 of the Constitution.

(3) That it will be convenient and advantageous from the standpoint of territory, and will comply with the spirit and intent of the Constitution with respect to population and expedite the business in the counties involved, to create a new judicial district to consist of the county of Henderson, to change the Fourth Judicial District so that is consists of the counties of Hopkins

and Caldwell, and to change the Fifth Judicial District so that it consists of the counties of Webster, Union and Crittenden.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Fourth Judicial District shall hereafter be composed of the counties of Hopkins and Caldwell.

Section 2. The Fifth Judicial District shall hereafter be composed of the counties of Webster, Union and Crittenden.

Section 3. A new Judicial District is established, to consist of the county of Henderson.

Section 4. The present circuit judges of the Fourth and Fifth Judicial Districts shall retain their offices for the terms for which they were elected for the said districts as they have been changed under this Act.

Section 5. The present Commonwealth's attorney for the Fourth Judicial District, being a resident of Hopkins County, shall retain his office for the term for which he was elected for the said district as it has been changed under this Act.

Section 6. The offices of circuit judge and Commonwealth's attorney for the new judicial district established by this Act are hereby created.

Section 7. The present Commonwealth's attorney for the Fifth Judicial District, being a resident of Henderson County, shall serve as Commonwealth's attorney for this newly created district until the expiration of his term of office.

Section 8. Until the regular election for circuit judge in 1975, the office of circuit judge for this newly created district shall be filled as provided in Section 152 of the Constitution for offices in which there is a vacancy.

Section 9. Until the regular election for Commonwealth's attorney in 1975, the office of Commonwealth's attorney in the Fifth Judicial District shall be filled as provided in Section 152 of the Constitution for offices in which there is a vacancy.

Section 10. At the regular election in 1975 and every six years thereafter there shall be elected a circuit judge and a Commonwealth's attorney for the newly created judicial district.

The Committee Amendment to **HB 54** is as follows:

Amend printed copy of House Bill 54 on pages 2 & 3, lines 22 & 23 and 1 through 6 respectively, by striking all words after "Section 8." and substituting therefor the following:

"The changes made in judicial districts and the new offices created by this Act shall take effect January 1, 1971, and no vacancy shall be deemed to exist in any office prior to that time. At the regular election in 1970 the voters shall elect a circuit judge for the district created by this Act and a Commonwealth's attorney for the Fifth Judicial District, who shall serve until their successors are chosen as provided by law."

and on page 3, line 7, by renumbering "Section 10." as "Section 9."

HB 56, AN ACT relating to telephone service.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 278 of the Kentucky Revised Statutes is created to read as follows:

The Public Service Commission shall not approve long distance rates or any rate in excess of the local rate for any telephone call if the telephone from which the call was placed and the telephone at which the call was received are within the same county.

The Committee Amendment to **HB 56** is as follows:

Amend printed copy of House Bill 56 on page 1, by: adding a new paragraph as follows:

"The effective date of this Act shall be July 1, 1971".

HB 148, AN ACT relating to judicial districts.

WHEREAS, the General Assembly has given due regard to the elements of territory, business and population involved in the division of the state into judicial districts; and

WHEREAS, with such due regard, the General Assembly has found the following facts to exist:

(1) That the entire population of the state as of the last preceding Federal census is 3,038,156.

(2) That upon the basis of such population, additional judicial districts may be established to those now existing, pursuant to Sections 128 and 132 of the Constitution.

(3) That it will be convenient and advantageous from the stand-point of territory, and will comply with the spirit and intent of the Constitution with respect to population and expedite the business in the counties involved, to create a new judicial district to consist of the County of Graves, and to change the First Judicial District so that it consists of the counties of Ballard, Carlisle, Fulton and Hickman.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The First Judicial District shall hereafter be composed of the Counties of Ballard, Carlisle, Fulton and Hickman.

Section 2. A new judicial district is established, to consist of the County of Graves.

Section 3. The present circuit judge of the First Judicial District shall retain his office for the term for which he was elected for the said district as it has been changed under this Act.

Section 4. The offices of circuit judge and Commonwealth's attorney for the new judicial district established by this Act are hereby created.

Section 5. The present Commonwealth's attorney for the First Judicial District, being a resident of Graves County, shall serve as Commonwealth's attorney for this newly created district until the expiration of his term of office.

Section 6. Until the regular election for circuit judge in 1975, the office of circuit judge for this newly created district

shall be filled as provided in Section 152 of the Constitution for offices in which there is a vacancy.

Section 7. Until the regular election for Commonwealth's attorney in 1975, the office of Commonwealth's attorney in the First Judicial District shall be filled as provided in Section 152 of the Constitution for offices in which there is a vacancy.

Section 8. At the regular election in 1975 and every six years thereafter there shall be elected a circuit judge and a Commonwealth's attorney for the newly created judicial district.

The Committee Amendment to **HB 148** is as follows:

Amend printed copy of House Bill 148 on page 2, lines 16 to 23, by striking all words after "Section 6." and substituting therefor the following:

"The changes made in judicial districts and the new offices created by this Act shall take effect January 1, 1971, and no vacancy shall be deemed to exist in any office prior to that time. At the regular election in 1970 the voters shall elect a circuit judge for the judicial district created by this Act and a Commonwealth's attorney for the First Judicial District, who shall serve until their successors are chosen as provided by law."

and on page 2, line 24, by renumbering "Section 8." as "Section 7."

HB 168, AN ACT relating to comparative negligence in civil actions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 411 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, "fault" means negligence, breach of statutory duty or other act or omission which gives rise to a liability in tort or would, apart from this Act, give rise to the defense of contributory negligence.

Section 2. A new section of Chapter 411 of the Kentucky Revised Statutes is created to read as follows:

Where any person suffers death or damage as a result partly of his own fault and partly of the fault of any other person or persons, a claim in respect of that death or damage shall not be defeated by reason of the fault of the person suffering the damage, but the damages recoverable in respect thereof shall be reduced to such extent as the jury thinks just and equitable having regard to the claimant's share in the responsibility for the damage.

Section 3. A new section of Chapter 411 of the Kentucky Revised Statutes is created to read as follows:

Where damages are recoverable by any person by virtue of this Act subject to such reduction as is mentioned, the jury shall find and record the total damages which would have been recoverable if the claimant had not been at fault and the extent to which those damages are to be reduced.

Section 4. A new section of Chapter 411 of the Kentucky Revised Statutes is created to read as follows:

If any claimant is found by a jury, under the provisions of this Act, to be equally at fault, the claimant shall not recover.

Section 5. The provisions of this Act shall apply only to causes of action arising after the effective date of this Act.

Committee Substitute, HB 168, AN ACT relating to comparative negligence in civil actions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 411 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, "fault" means negligence, breach of statutory duty or other act or omission which gives rise to a liability in tort or would, apart from this Act, give rise to the defense of contributory negligence.

Section 2. A new section of Chapter 411 of the Kentucky Revised Statutes is created to read as follows:

Where any person suffers death, injury or damage as a result partly of his own fault and partly of the fault of another,

a claim in respect thereto shall not be defeated by reason of the fault of the person dying or suffering the injury or damage, but the damages recoverable in respect thereof shall be reduced to such extent as the jury thinks fair and just having regard for the dying, injured or damaged person's share in the responsibility for the damage.

Section 3. A new section of Chapter 411 of the Kentucky Revised Statutes is created to read as follows:

Where damages are apportioned in accordance with the provisions of Section 2 of this Act, the jury shall find the total damages which would have been recoverable if the person dying, injured or damaged had not been at fault, and further reduce the total damages by dollars and cents, and not by percentage, to the extent deemed fair and just, having regard for the claimant's share in the responsibility for the death, injury or damages, and the jury shall return both amounts with the knowledge that the lesser figure is the final verdict in the case.

Section 4. A new section of Chapter 411 of the Kentucky Revised Statutes is created to read as follows:

If any person dying, injured or damaged is found by a jury to be equally or more at fault, the claimant shall not recover.

Section 5. The provisions of this Act shall apply only to causes of action arising after the effective date of this Act.

HB 294, AN ACT relating to limitation of actions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 413 of the Kentucky Revised Statutes is created to read as follows:

An action for an injury to the person of the plaintiff, or of his wife, child, ward, apprentice or servant shall be commenced within two years after the cause of action accrued.

Section 2. KRS 413.140 is amended to read as follows:

(1) The following actions shall be commenced within one year after the cause of action accrued:

[(a) An action for an injury to the person of the plaintiff, or of his wife, child, ward, apprentice or servant.]

(a) [(b)] An action for injuries to persons, cattle or other livestock by railroads or other corporations.

(b) [(c)] An action for malicious prosecution, conspiracy, arrest, seduction, criminal conversation or breach of promise of marriage.

(c) [(d)] An action for libel or slander.

(d) [(e)] An action against a physician or surgeon for negligence or malpractice.

(e) [(f)] An action for the escape of a prisoner, arrested or imprisoned on civil process.

(f) [(g)] An action for the recovery of usury paid for the loan or forbearance of money or other thing, against the loaner or forbearer or assignee of either.

(g) [(h)] An action for the recovery of stolen property, by the owner thereof against any person having the same in his possession.

(h) [(i)] An action for the recovery of damages or the value of stolen property, against the thief or any accessory.

(2) In respect to the action referred to in paragraph *(f)* [(g)] of subsection (1) of this section, the cause of action shall be deemed to accrue at the time of payment. This limitation shall apply to all payments made on all demands, whether evidenced by writing or existing only in parol.

(3) In respect to the action referred to in paragraph *(g)* [(h)] of subsection (1) of this section, the cause of action shall be deemed to accrue at the time the property is found by its owner.

(4) In respect to the action referred to in paragraph *(h)* [(i)] of subsection (1) of this section, the cause of action shall be deemed to accrue at the time of discovery of the liability.

HB 331, AN ACT relating to police judge retirement pensions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 26.650 of the Kentucky Revised Statutes is amended to read as follows:

City legislative bodies of cities of the second class may, by proper legislation, provide for pensions for police court judges, [who after July 1, 1954, have become sixty years of age and have served as a regular police judge, including service prior to July 1, 1954, for a period of twenty years; or] who after July 1, *1970* [1954], have become fifty-five years of age and have served as regular police judge, including service prior to July 1, *1970* [1954], for a period of [twenty-four] *eight* years.

Section 2. Section 26.660 of the Kentucky Revised Statutes is amended to read as follows:

Police judges who are eligible for pension and retire from office, shall be paid out of the Police Judge Pension Fund, a pension not to exceed *$200 per year times the years of service* [the sum of twenty-four hundred dollars each year], for life. *In the event of the death of a judge while drawing a pension, one-half of his pension shall continue to his widow and children under 18 years of age.* If the pension legislation has been adopted by the city legislative bodies at the time of said retirement, it shall not be altered or changed during the time of the pension period of the retiring judge.

Section 3. Section 26.665 of the Kentucky Revised Statutes is amended to read as follows:

Any judge who has served less than *eight* [twenty] years as a regular police judge and who attempts to continue in office by being a candidate for re-election and is defeated shall be refunded all contributions made to the fund by him upon the making of application therefor within one year from the date of said election.

The Committee Amendment to HB 331 is as follows:

Amend printed copy of House Bill 331 on page 2, line 4, by:

Inserting, immediately following the word *"pension"* and preceding the word *"one-half"* the words *"or eligible for a pension,"*

HB 430, AN ACT relating to the satisfaction of fines of prisoners.

WHEREAS, many indigent defendants are unable to pay fines for traffic violations and misdemeanors; and

WHEREAS, equal protection of the law is often denied to indigent defendants due to their inability to pay fines for traffic violations and misdemeanors in lieu of serving sentences in county jails;

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 441.180 of the Kentucky Revised Statutes is amended to read as follows:

Prisoners placed at hard labor shall be permitted to satisfy their fines and costs at the rate of *thirty* [two] dollars per day; they shall not be required to labor more than eight hours a day, and may at any time pay or replevy the fines and costs, or whatever part thereof remains unpaid after receiving credit of *thirty* [two] dollars for each day worked in payment thereof. Managers shall keep the time of prisoners and release them when their time expires, except that any prisoner who pays the fine and costs not worked out shall be released from custody upon order of the court that committed him.

Section 2. Section 441.190 of the Kentucky Revised Statutes is amended to read as follows:

When not worked, or if no work can be had, and if not sent to a workhouse, the prisoners shall remain in jail until the imprisonment is satisfied and the fine and costs are paid. The prisoner shall receive a credit of *fifteen dollars* [one dollar], towards payment of the fine and costs, for each day he remains in jail, and may pay or replevy the fine and costs at any time. In paying or replevying the fine or costs, the prisoner shall receive a credit of *fifteen dollars* [one dollar] for each day he remained in jail.

The Committee Amendment to **HB 430** is as follows:

Amend printed copy of House Bill 430 on page 1 & 2, line 4, 7, 10, & 14, by:

deleting on line 4 the word *"thirty"* and inserting in lieu thereof the word *"fifteen"*

deleting on line 7 the word *"thirty"* and inserting in lieu thereof the word *"fifteen"*

deleting on page 2, line 10, the words *"fifteen dollars"* and inserting in lieu thereof the words *"ten dollars"* and

deleting on line 14 the words *"fifteen dollars"* and inserting in lieu thereof the words *"ten dollars"*

HB 480, AN ACT relating to courts inferior to circuit courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 439.550 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever any person has been found guilty of a crime, upon verdict or plea, in any court inferior to the circuit court that court may postpone the entering of judgment *and the taxing of costs,* and place the defendant on probation.

(2) This shall not be done unless the court, the welfare department of the city or the fiscal court of the county has provided facilities for the supervision of such persons.

(3) The period and conditions of probation and the discharge of such persons shall be in accordance with and pursuant to KRS 439.270 and 439.290.

(4) Such probationer may be arrested and his case disposed of according to KRS 439.300.

SB 108, AN ACT relating to fees of commissioners and receivers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 64 of the Kentucky Revised Statutes is created to read as follows:

(1) The judge or judges of circuit courts, at a general term of court, shall by an order entered on the order book, fix the fees of circuit court commissioners and receivers for their services.

(2) Fees and allowances to commissioners and receivers shall in all cases, be taxed as a part of the costs and may be collected by distress as circuit clerk's fees are collected or on motion of the persons entitled to them by judgment and execution or attachment.

(3) In all cases, evidence may be heard for and against such allowance.

Section 2. Section 64.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) [In counties containing a city of the first class,] Commissioners and receivers appointed by the circuit court shall receive *a reasonable* [an] annual salary set by the circuit court, payable out of the fees of the office. [In counties containing a population of 75,000 or over but not containing a city of the first class, commissioners and receivers appointed by the circuit court shall receive an annual salary of $7,200, payable out of the fees of the office.]

(2) The amount, if any, allowed for necessary office expenses of said commissioners and receivers shall be fixed and regulated by an order entered upon the order book of the circuit court. A certified copy of the order and any subsequent changes made therein shall, as soon as entered, be forwarded to the Department of Finance.

(3) Each of said commissioners and receivers shall enter and keep in books in his office an account of the amounts earned by him or due him for official services rendered, when and to whom the service was rendered, what part has been paid, and when paid. He shall annually, in January, report to the Department of Finance, under oath, the amount received by him for official services from all sources during the preceding year, and the amount paid out for deputies, assistants and office expenses, giving separately the amount paid out for each item.

(4) Except as provided in subsection (5) of this section, the commissioner or receiver shall, with the annual statement, pay to the Department of Finance any amount in excess of his salary, received during the preceding year for official services, that remains after payment of salaries of deputies and assistants and legitimate office expenses.

(5) Such commissioners and receivers may make up out of the surplus of any year any shortage in their salaries, or the salaries of their deputies, of any previous year.

Section 3. Section 64.260 of the Kentucky Revised Statutes is repealed.

SB 151, AN ACT relating to the effect of the recommitment of a parolee.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 439.352 of the Kentucky Revised Statutes is amended to read as follows:

Recommitment of a parolee to prison on a new sentence received for commission of a crime while on parole, shall automatically terminate his parole status on any sentence on which he has not received a final discharge, or a restoration of civil rights, prior to the date of recommitment. *If a parolee is recommitted to an institution on a new sentence and the judgment on the new sentence specifies that the new and old sentences are to be served consecutively, the remaining time to be served for the expiration of the old sentence on which he has been previously paroled shall be added to the expiration date of the new sentence, otherwise, the sentences shall be served concurrently.* [The prisoner shall, at the time of the recommitment on the new sentence, begin to accrue additional time credit toward conditional release or expiration of sentence on the sentence on which he had previously been paroled unless he has been finally discharged from parole on the sentence or has been restored to civil rights prior to the date of the recommitment.]

The Committee on Judiciary reported **HB 336, HB 381** and **HB 499** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 336, AN ACT relating to penalties for false statements regarding the medical assistance program of the Commonwealth of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 205.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 205.170 or 205.175 shall be fined not less than $50 nor more than $200 or imprisoned for not more than six months or both.

(2) Any person who knowingly makes a false statement or representation or knowingly fails to disclose a material fact to procure, increase or continue any benefit for himself or another or who wilfully violates any of the provisions of KRS 205.160 to 205.250 and KRS 205.290 to 205.310, or any rule or regulation thereunder, shall be fined not less than $10 nor more than $50, or imprisoned for not more than thirty days, or both. Each false statement, representation, failure or violation and each benefit payment made in reliance on such false statement, representation, failure or violation shall constitute a separate offense.

(3) Any person, or person acting for a corporation or institution, authorized to receive payment for medical care rendered pursuant to KRS 205.510 - 205.610 who knowingly makes or causes to be made, any false statement in writing or false billing for services rendered, shall be fined not less than $500 or imprisoned for not less than six months or both. Each false statement or false billing presented shall constitute a separate offense.

HB 381, AN ACT giving the juvenile courts the right to consent or order medical treatment or surgical operations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 208.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the health or physical condition of any child before the juvenile court requires it, the court may order the child to be placed in a public hospital or institution for treatment or special care, or in a private hospital or institution which will provide treatment and care. In order to ascertain the physical condition of a child, the court may cause the child to be ex-

amined by a health officer or children's clinic or any reputable physician who will conduct the examination.

(2) The juvenile court may order or consent to necessary medical treatment, including surgical procedures after a hearing conducted to determine the necessity of such treatment or procedure. Reasonable notice, taking into account any emergency circumstances, shall be provided to the parents, guardian or custodian of the child to enable them to attend the hearing.

HB 499, AN ACT relating to shoplifting.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 433.236 of the Kentucky Revised Statutes is amended to read as follows:

(1) A peace officer, security agent of a mercantile establishment, merchant or merchant's employe who has probable cause for believing that goods held for sale by the merchant have been unlawfully taken by a person, [and that he can recover same by taking the person into custody,] may, [for the purpose of attempting to effect recovery,] take the person into custody and detain him in a reasonable manner for a reasonable length of time[.] *for the purpose of attempting to effect recovery, and until the arrival of a peace officer for the purpose of effecting arrest and prosecution. The authority granted by this section may be exercised only on premises of the mercantile establishment or in fresh pursuit of a person fleeing therefrom.*

(2) Any peace officer may arrest without warrant any person he has probable cause for believing has committed larceny in retail or wholesale establishments.

The Committee Amendment to **HB 499** is as follows:

Amend printed copy of House Bill 499 on page 2, by: deleting all words in lines 3, 4, and 5.

The Committee on Education reported **HR 55, HR 56** and **HB 352** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HJR 55, A JOINT RESOLUTION directing the Council on Public Higher Education to study alternative methods of incorporating the University of Louisville into the state system of higher education and other aspects of higher education and requiring a report thereof containing recommendations.

WHEREAS, the 1968 session of the General Assembly, the House of Representatives, adopted Resolution No. 91 directing the maintenance of the University of Louisville as a state institution and authorizing the Board of Trustees of the University of Louisville and the University of Kentucky to develop a plan for closer affiliation (merger) of the two institutions and, under Section 4 of the resolution, to develop proposed legislation providing for such closer affiliation (merger) and to present same for the consideration of the General Assembly not later than at its next regular session; and

WHEREAS, it appears that the Board of Trustees of the University of Kentucky and the University of Louisville have been unable to comply with Section 4 of Resolution 91 of the 1968 session of the General Assembly, and it further appears that the said Boards of Trustees have been unable to agree on other essential matters and differences that must be resolved before the two institutions can merge or coordinate into one institution; and

WHEREAS, the statutes of the Commonwealth of Kentucky defined the roles of the several institutions of higher education now forming the state supported system in Chapter 164 of the Kentucky Revised Statutes, but the mission and function of the University of Louisville has not been defined; and

WHEREAS, the General Assembly must be vitally concerned with the most economic and efficient means of furthering higher education in this Commonwealth; and

WHEREAS, it appears that necessary action has not been taken to permit the 1970 General Assembly to complete entry of the University of Louisville into the fully state supported higher education system by merger with the University of Kentucky in accordance with previous recommendations; and

WHEREAS, necessary consideration has not been made of other alternatives for the entry of the University of Louisville

into the fully or partially state supported higher education system by the 1970 General Assembly so that the said Assembly can define the function and mission of the University of Louisville.

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the General Assembly finds that further study and recommendations need to be made concerning the entry of the University of Louisville into the state supported system of higher education and other matters related to the system of higher education in the Commonwealth of Kentucky.

Section 2. That in implementation of this finding and furtherance of House Resolution No. 91 passed by the 1968 session of the General Assembly, Sections 2 and 3 of House Resolution No. 91 are hereby readopted and reaffirmed in the same language, to wit:

"Section 2. That in implementation of this finding, beginning not later than July 1, 1970, the University of Louisville shall be maintained as a state institution with such incomes, buildings and equipment as will enable it to continue to do work such as it now does, both undergraduate and postgraduate, and embracing the work of instruction as well as research, subject to the approval authority of the Council on Public Higher Education with respect to new postgraduate programs.

Section 3. That for purposes of participation in the work of the Council on Public Higher Education and the submission of budget requests thereto the University of Louisville shall be considered a state institution as of July 1, 1969."

Section 3. That the General Assembly direct the Council on Public Higher Education to study and recommend procedures for the entry of the University of Louisville into the state supported system of higher education; to study and report on the nature and scope of the institutions of higher education that will form the state supported system after the University of Louisville becomes a part thereof; to study and report on the nature and scope of the Council of Public Higher Education; and report and make recommendations to the Interim Study Commission on

Higher Education on matters herein suggested not later than January 1, 1971.

Section 4. There is hereby established the Interim Study Commission on Higher Education. The Commission shall consist of five members of the House of Representatives, two of whom shall be the Chairman and Vice Chairman of the Appropriations and Revenue Committee and three of whom shall be appointed by the Speaker thereof, and four members of the Senate, two of whom shall be Chairman and Vice Chairman of the Appropriations and Revenue Committee and two of whom shall be appointed by the President thereof. The Commission shall select a chairman from among its members, and shall meet at the call of the chairman. The Commission shall receive and study the report and recommendations directed by this resolution, and shall develop proposed legislation providing for the entry of the University of Louisville into the state system which shall be presented to the General Assembly at the earliest opportunity, no later than the 1972-73 regular session, and shall make other recommendations and proposals for legislation pertinent to the purposes of this resolution.

Section 5. Every state agency and institution is directed to fully cooperate with the Commission and to fully comply with any request for services or data made by the Commission.

HJR 56, A JOINT RESOLUTION directing a comprehensive study of the administration, costs, and quality of common school education in the Commonwealth of Kentucky.

WHEREAS, the breach between those charged with the duty of educating Kentucky's children and the state's taxpayers has been widening, and

WHEREAS, the principal losers in these mounting misunderstandings and confrontations are the children both groups desire to serve, and

WHEREAS, it is the responsibility of the General Assembly to provide for an efficient system of common schools and to determine how best to finance it;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Legislative Research Commission is hereby directed to establish an Interim Study Committee on Education composed of not more than 15 members of the 1970 General Assembly, with representation balanced among the broad interests of the Commonwealth.

Section 2. The Interim Study Committee on Education shall undertake a complete and comprehensive re-examination of the entire system of common schools in Kentucky and report its findings and recommendations to the 1972 General Assembly.

Section 3. The Committee's study shall embrace, but not be confined to:

(a) Determining the feasibility of establishing pay scales for school teachers on a basis other than educational qualifications and length of service.

(b) Examine all laws pertaining to the administration of the common school system with a view toward modernizing and updating same.

(c) Restudy the operation of the Minimum Foundation Program formula, with emphasis on capital outlay and current operating expense allotments and whether these should be adjusted to more nearly conform to the varying needs among the school districts.

Section 4. Members of the Interim Study Committee on Education shall receive cooperation and records requested from any state agency, and the Legislative Research Commission may employ special staff to assist in the study. Committee members shall be paid a per diem of $25 for each meeting attended, plus actual expenses.

Section 5. There is appropriated out of the General Expenditure Fund the sum of $25,000 for the fiscal year 1970-71, and any unexpended balance at the end of the fiscal year shall not lapse but be available for expenditure during fiscal 1971-72.

HB 352, AN ACT relating to accident prevention in connection with training in vocational, industrial arts, and chemical-

physical courses employing machines, machinery and general industrial laboratory equipment in the public school system.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 163 of the Kentucky Revised Statutes is created to read as follows:

(1) The State Board of Education shall provide for the promulgation of safety standards for the adequate safe-guarding of machines, machinery and equipment employed in connection with the teaching and training of industrial arts and chemical-physical courses in vocational and industrial arts classrooms or shops and in laboratories in the public school system; and further, shall provide safety standards for the use and operation of all such machines, machinery and equipment; and further, shall provide that all such machines, machinery and equipment shall at all times be adequately lighted for their safe use; and further prescribe, that proper quality and otherwise fully adequate protective devices for the eyes, face, hands, and other parts of the person shall be provided; and further, that safety standards shall require that the floors of classrooms, shops and laboratories shall at all times be free and clear of oily substances, rubbish, waste matter and hazardous obstacles.

(2) All District Boards of Education, school superintendents, principals, teachers and instructors shall observe and enforce all safety standards issued by the State Board of Education.

(3) The State Board of Education shall:

(a) Initiate the promulgation of the required safety standards within a period not in excess of six months following the adoption of this Act and shall complete same for distribution to the District Boards of Education within a period of one year from the adoption of this Act;

(b) Use its full powers and authority to require the District Boards of Education, together with school superintendents and others subject to compliance, to faithfully observe and enforce the safety standards;

(c) Maintain a constant review of their safety standards and provide for progressive improvements and additions as experience and demands for the safety of students require; and

(d) Arrange for periodic inspection of all premises and equipment covered by the safety standards.

The Committee on Counties and Special Districts reported **HB 265** and **HB 510** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 265, AN ACT relating to sheriffs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 70.040 of the Kentucky Revised Statutes is amended to read as follows:

The sheriff shall be liable for the acts or omissions of his deputies; *except that, in counties containing a city of the first class the office of sheriff, and not the individual holder thereof, shall be liable under this section.* When a deputy sheriff omits to act or acts in such a way as to render his principal responsible, and the latter discharges such responsibility, the deputy shall be liable to the principal for all damages and costs which are caused by the deputy's act or omission.

HB 510, AN ACT relating to dog licenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 258.135 of the Kentucky Revised Statutes is amended to read as follows:

On or before July 1, *1970* [1954] and on or before *January* [July] 1 of each year thereafter, the owner of any dog six months old or over shall apply to the dog warden of the county in which he resides for a license for each dog owned or kept by him. The application shall be accompanied by a license fee of one dollar and fifty cents for each dog. Any license issued for the year of *1970* [1954] *on or* before July 1, *1970* [1954] shall be effective until *January* [July] 1, *1971* [1955]. Dog wardens shall be agents of the Commonwealth in the collection of the license fees provided for herein, unless the department determines, with the approval of the Governor, to issue all licenses

either directly or through other agents. For services rendered in collecting and paying over the same, dog wardens shall be allowed to retain the sum of twenty-five cents for each license. The balance of the license fee collected shall be paid to the department on or before the 15th day of each next succeeding month and shall be credited to the Livestock Fund. If the committee finds it to be in the interest of maximum enforcement of this chapter to permit certain other portions of the license fee to be retained by the respective counties for use in such enforcement, the department may allow such portions of the license fee to be so retained by the counties.

The Committee on Cities reported **HB 371, HB 410** with Committee Amendment attached thereto, **HB 425, HB 502** and **SB 201** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 371, AN ACT relating to police and fire departments in second and third class cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 95.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) In cities of the second and third classes the city legislative body shall control the police and fire departments and the property and equipment of the departments.

(2) The city legislative body may ordain and enforce rules for the government of the departments as it may deem expedient, prescribe the qualifications and duties of the members of each department, and grade the officers of each department.

(3) The city legislative body may appoint a chief of police and all policemen, and a chief of the fire department and all subordinates. *All such appointments, whether initial appointments or subsequent promotions, shall be after an examination has been held to determine the appointee's qualifications for office.*

(4) The number of firemen, policemen, detectives and of-

ficers of the police and fire departments shall be such as the city legislative body may ordain.

(5) The city legislative body shall, by ordinance, fix the salaries of the members of the police and fire departments, provide for their payment, and for the payment of other expenses of the departments.

Section 2. Section 95.440 of the Kentucky Revised Statutes is amended to read as follows:

(1) The city legislative body in cities of the second and third classes shall require all applicants for appointments as members of the police and fire departments to be examined as to their qualifications for office, including their knowledge of the English language and the law and rules governing the duties of the position applied for. *All such appointments, whether initial appointments or subsequent promotions, shall be after an examination has been held to determine the appointee's qualifications for office.*

(2) Each member of the police or fire department in cities of the second and third classes shall be a qualified voter in the county containing the city of employment, able to read, write and understand the English language, and have such other qualifications as may be prescribed. No person shall be appointed a member of the police or fire department unless he is a man of sobriety and integrity and is and has been an orderly, law-abiding citizen. In a city of the second class no person shall be appointed a member of either of such departments if he is over fifty years of age. *The legislative body of each city shall have the power to establish additional qualifications by ordinance, both initial appointments and promotional appointments.*

(3) Members of the police and fire departments in cities of the second and third classes qualified under this section shall hold their positions during good behavior, except that the city legislative body may decrease the number of policemen or firemen as it may deem proper.

(4) If the city legislative body of a city of the second or third class decreases the number of policemen or firemen, the youngest members in point of service shall be the first to be re-

leased and returned to the eligible list of the department, there to advance according to the rules of the department.

HB 410, AN ACT relating to city civil service.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 90.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall be appointed to any position because of political partisan service rendered by him or his family, or because of political sentiment or affiliation, nor shall any person be dismissed or reduced in grade because of any political opinion.

(2) *During working hours,* no employe of a city of the second class shall coerce or persuade another, or in any way actively participate in any election, or cause others to do so.

The Committee Amendment to **HB 410** is as follows:

Amend printed copy of House Bill 410 on page 1, line 7, by: inserting after the word *"During"* the words *"his regular"*

and on line 9, by changing the period "." to a semicolon ";" and adding the following: *"nor shall any employe at any time coerce another for the same ends. This paragraph shall not be construed as permitting political fund raising of any sort, or any work on election day in behalf of a candidate."*

HB 425, AN ACT relating to civil service in cities of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 90.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) There is created and established in cities of the first class a civil service board to be known as _____ Civil Service Board. The board consists of five members of whom four shall be appointed by the mayor and the mayor is the fifth member ex officio. The mayor, as ex officio member, shall not have the right to vote except when necessary to break a tie. The

appointive members shall be selected equally from the two political parties casting the highest and the next highest number of votes at the last preceding general election. All members shall be appointed for a four-year term. Vacancies created by death, resignation and otherwise shall be filled for the unexpired portion of the term only. Any member of the board appointed according to the provisions of this section shall be eligible for reappointment unless his reappointment would offend the equal political division of said board.

(2) No member of the board shall be eligible for any appointive office of the city while a member of the board, or for one year thereafter. If a member of the board becomes a candidate for an elective office, he thereby vacates his position as a member of the board.

(3) Any member of the board may be removed by the mayor, for cause, after hearing by the mayor, and after at least ten days' notice in writing has been given to the member, which notice shall contain a copy of charges preferred against him. At the hearing he may be represented by counsel. The finding of the mayor shall be final and removal results in vacancy in such office.

(4) There shall be elected, on an annual basis, one member of the Louisville Division of Police and one member from the Louisville Division of Fire, both of whom shall sit on said board within the confines of this statute, for the purpose of deciding discipline cases only. Each member herein elected must have at least five years service in order to be eligible.

Section 2. Section 90.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each member of the board may be paid a salary not to exceed a per diem allowance of ten dollars for each meeting attended, provided, however, that the annual allowance of any one member of the board shall not exceed the sum of five hundred dollars in any one fiscal year, and in addition thereto members shall be reimbursed for necessary travel and other expenses incurred in connection with their duties as members.

(2) The board shall hold at least one regular meeting in

each month and shall hold such additional meetings as may be necessary.

(3) The board shall keep full and complete minutes of its proceedings, which minutes shall, subject to reasonable regulations, be open to public inspection.

(4) The board shall elect a chairman and a vice-chairman from its members, and the personnel director shall be the secretary-treasurer thereof.

(5) The board is authorized and empowered to employ such persons as may be necessary and proper for the efficient conduct of its activities hereunder. The board may fix the compensation to be paid such employes, in accordance with the schedule of salaries established, or that may be established, by ordinance.

(6) Members of the Board from the Louisville Divisions of Fire and Police shall not receive a per diem allowance as defined in this statute.

Section 3. Section 90.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board shall employ a personnel director who shall be the administrative officer *for* [of] the board. The personnel director shall be, at the time of appointment, a person familiar, and in sympathy, with the principles, and experienced in the methods and technique, of personnel administration on the merit basis and a person of recognized character and ability.

(2) The personnel director may be removed *at any time at the pleasure of this board* [only for cause and after public hearing by the board and after at least ten days' notice shall have been given to the said director, which notice shall contain a copy of the charges preferred against him, and] *T*[t]he decision of the board thereon shall be final. [At such hearing the personnel director may be represented by counsel.]

(3) The personnel director shall be the secretary-treasurer of the board and shall attend all the meetings thereof. *He shall perform those duties as shall be assigned to him by the board.* [; shall set up and direct the actual work of the board; supervise and direct the work of the employes thereof; make such investi-

gations as may be deemed desirable and report thereon to the board.] The personnel director shall submit to the board not later than the first day of November of each year an annual report on the operations of the board for the preceding fiscal year, and shall discharge all such other duties as the board may require.

(4) The board shall employ a chief examiner who shall *be professionally qualified and experienced in the field of testing, who shall formulate, give, grade, and administrate all written tests as required by the Board and said Chief Examiner shall report to the Board the results of all tests given, and he shall be solely responsible to the Board. The Chief Examiner shall select a panel of four to conduct an oral examination of the applicants for promotion; the panel shall consist of two persons of a supervisory capacity from the same classified service as the applicant and two persons from an outside agency or agencies in the same field. The Chief Examiner shall compile the grades of all applicants based upon the percentage set out in KRS 90.160 and shall deliver, in sealed envelopes, the scores of all applicants for promotion to the Chairman of the Civil Service Board. The Chief Examiner shall not reveal to anyone the results of said tests other than in the manner set forth herein. The job of Personnel Director may not be combined with the job of Chief Examiner. The Chief Examiner shall be responsible only to the Civil Service Board.* [assist the personnel director and perform such other duties as the board may require.]

(5) The director of finance of the city shall immediately certify to the personnel director the name of any person in the classified service added to or removed from the payroll.

Section 4. Section 90.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board shall, after public notice and hearing, make, promulgate, and if and when necessary, amend, rules and regulations for the appointment, transfer, laying-off, reinstatement, deductions from pay, leave of absence, promotion, demotion, dismissal, and suspension, of all employes of the city in the classified service within the purview of KRS 90.110 to 90.230, including those who may hereafter be placed in the classified service pursuant hereto, and for the classification of such employes for appointment, promotion and transfer, and shall report its pro-

ceedings and rules to the mayor, legislative body, the director of public welfare, the director of public health, and the director of safety of the city. Such rules shall, among other things, provide:

(a) For the standardization and classification of all offices, positions and employment in the classified service and the classification thereof into groups and subdivisions to be based upon and created according to the respective duties and responsibilities thereof, and shall be so arranged as to promote the filling of the higher grade as far as practicable by promotion.

(b) For open competitive tests to ascertain the relative fitness of all applicants for appointment to [said offices, positions and places of employment in] the classified service within the purview of KRS 90.110 to 90.230, including those which may hereafter be placed in the classified service pursuant hereto, and such tests shall be practicable and relate to matters which will fairly measure the relative fitness of candidates to discharge the duties of the positions or offices or places of employments to which they seek appointment. Notice of such tests shall be given by publication pursuant to KRS Ch. 424 and by posting notices in the city hall.

(c) For *original appointment to the classified service the Board shall select from the candidates in the order in which they are graded.* [the creation of eligible lists upon which shall be entered the names of successful candidates in the order of their standing through examination; and for the filling of places in the classified service by the appointing authorities who shall select from not more than three candidates graded highest on the appropriate eligible list.]

(d) For *original appointment to the classified service there shall be* a period of probation not exceeding twelve months nor less than six months, before *the* [an] appointment or employment is made a regular appointment.

(e) For *original appointment to the classified service there shall be reinstated* [reinstatement] on the eligible list of persons who, without default or delinquency, are separated from the service.

(f) For promotion from the lower grades to the higher based on records of efficiency and seniority to be furnished by the

appointing authority and kept by the board, or upon competitive promotion tests, or both.

(g) For promotion from the lower grades to the higher in the Division of Police and in the Division of Fire:

1. Physical fitness for promotion is presumed unless certified to the contrary by the appointing authority, who shall supply the Board with medical records of the disability.

2. At least ninety days' notice shall be given before any promotional examination is conducted.

3. An applicant shall not be eligible for promotion to the rank of sergeant until he shall have served at least three years from the date of his original appointment; an applicant shall not be eligible for promotion to the rank of lieutenant until he shall have served at least two years in the rank of sergeant; an applicant shall not be eligible for promotion to the rank of captain until he shall have served at least one year in the rank of lieutenant.

4. The grading on promotional tests shall be as follows: 60 percent for the written examination, 5 percent for the oral examination, 20 percent for seniority, and 15 percent for efficiency.

(h) The Board shall make such rules and regulations as necessary so as to insure that the examination for promotion as created by the Chief Examiner and as given by the Chief Examiner is conducted and graded in a fair and impartial manner.

(2) The enumeration of the foregoing subject matter of rules and regulations is not exclusive, and the board may make and promulgate such other reasonable rules and regulations as are necessary or desirable to the enforcement of and not inconsistent with KRS 90.110 to 90.230.

Section 5. Section 90.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) All appointments to positions subject to the provisions of KRS 90.110 to 90.240 shall be made solely on the basis of merit and fitness, to be determined by competitive examinations, except in the case of emergency appointments which may be made only in accordance with the definition given in KRS

90.110; provided that all original appointments, except emergency appointments as defined in KRS 90.110, shall be probationary appointments for a period of not less than six, nor more than twelve, months, after which probationary period regular appointments shall be given to all probationary employes who are deemed to be satisfactory by the respective appointing authority.

(2) Except in the case of emergency appointments as defined in KRS 90.110, all appointments to positions subject to the provisions of KRS 90.110 to 90.240 shall be made by appointing authorities only from an eligible list certified by the *Chief Examiner* [personnel director] as qualified and eligible for appointment from an appropriate eligible list as defined in KRS 90.110; provided however, that all employes holding positions subject to the provisions of KRS 90.110 to 90.240 on the effective date thereof who were holding positions in classified service under provision of previous Acts, shall be considered as having satisfied hereunder all of the qualifications for obtaining and holding such appointments as they then had, and further provided that all employes holding positions subject to the provisions of KRS 90.110 to 90.240, on the effective date thereof, and who were not holding positions in classified service under provisions of previous Acts, shall be considered as having satisfied hereunder all of the qualifications for obtaining and holding original appointments under KRS 90.110 to 90.240, and shall be considered as having been given probationary appointments, as defined in KRS 90.110, as of the effective date thereof.

Section 6. Section 90.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) *Where disciplinary suspension or fine may exceed ten days, or where the employe is subject to dismissal or demotion, no action shall be taken against said employe until the appointing authority shall first have presented in writing to the employe the reasons for said discipline, including, in specific detail, any charges against said employe. No employe shall be suspended, providing further that employes holding probationary appointments may be dismissed without the appointing authority being required to furnish to the probationary employe a written statement of the reasons for such discharge. Any employe suspended or fined for a period exceeding ten days, or dismissed or demoted*

[Dismissals or demotions of employes in positions subject to the provisions of KRS 90.110 to 90.240 may be made only by the appointing authority upon the filing of written statements of the reasons of such dismissals or demotions with the board, provided that copies of all such statements, shall be furnished to the employe so dismissed or demoted, on or before the effective date of such dismissal or demotion, provided further that employes holding probationary appointments may be dismissed without the appointing authority being required to furnish either the board or the dismissed or demoted employe with a written statement of the reasons for such dismissal or demotion. Any dismissed or demoted employe,] holding a regular appointment, shall be entitled, upon written demand, to a public hearing by the board, at which he shall have the right to introduce evidence in his own behalf, and to be represented by counsel.

(2) *The Board shall meet and act on said case no later than thirty days from the time the employe demands a public hearing by the Board. The Board shall investigate and determine the justification for all suspensions or fines exceeding ten days, or dismissal, or demotion reported, or complained of, according to the provisions of this section, and this conclusion shall be final, subject however, to the right of the mayor as set out in subsection (3). A copy of the findings of the Board shall be given to the mayor, the appointing authority, and the suspended or fined, dismissed or demoted employe.* [The board shall investigate and determine the justification for all dismissals or demotions reported, or complained of, according to the provisions of this section, and shall make recommendations according to its findings, approving or disapproving the dismissal or demotion so reported. If the board disapproves any such dismissal or demotion it shall recommend the reinstatement or transfer of such dismissed or demoted employe. Copies of the recommendations of the board shall be given to the mayor, appointing authority, and to the dismissed or demoted employe.]

(3) *The mayor, upon receiving from the Board their findings, shall have a period not to exceed ten days from the receipt thereof in which to reduce said penalty which, if in his judgment, is excessive. In the event the mayor fails to act within ten days the ruling of the Board shall be final, subject to any proper appeal*

to Circuit Court. If the classified service and the provisions of KRS 90.110 to 90.240 are extended under KRS 90.210 or under any other provisions of the Kentucky Revised Statutes, to any board or agency of or serving such city, or any joint board or joint agency of or serving such city and such county, in which said city is located, and any employe of such board or agency or joint board or joint agency is disciplinarily suspended or fined exceeding ten days, or dismissed, or demoted, the said board or agency shall have a period not to exceed ten days from the receipt of a copy of the findings of the Civil Service Board, under which time the said board or agency may reduce the penalty if, in the judgment of the board or agency, the judgment by the Civil Service Board was excessive. In the event the board or agency fails to act within ten days the ruling of the Civil Service Board shall be final, subject to any proper appeal to Circuit Court. [The mayor, receiving such recommendation, shall have the option of either accepting or rejecting such recommendation, and the action of the mayor shall be final. If the classified service and the provisions of KRS 90.110 to 90.240 are extended, under KRS 90.210 or under any other Act, to other executive departments of such city, the foregoing procedure governing dismissals or demotions shall apply with reference thereto. If the classified service and the provisions of KRS 90.110 to 90.240 are extended, under KRS 90.210 or under any other Act, to any board or agency of or serving such city or any joint board or joint agency of such city and such county, in which said city is located, and any employe of such board or agency or joint board or joint agency is dismissed or demoted, such recommendation as aforesaid of the board shall be given to the appointing authority of such board or agency or joint board or joint agency, as the case may be, instead of to the mayor; and such appointing authority shall have the option of either accepting or rejecting such recommendation, and the action of such appointing authority shall be final. Provided, however, that all such recommendations made by the board shall be public records; and provided further, that the board may reinstate a dismissed or demoted employe over the action of the mayor or the appointing authority, as the case may be, only in case it reasonably appears, after a proper investigation, that the dismissal or demotion was made for religious or political reasons.]

(4) Nothing in KRS 90.110 to 90.240 shall permit the dismissal or demotion, *suspension or fine* of any employe subject to the provisions of KRS 90.110 to 90.240 on account of religious faith or political, *fraternal, or union* affiliation.

(5) The Board must give the grievant a hearing within thirty days from the date that the appeal is filed. Should the Board fail to comply, the grievant shall be reinstated back to duty with no loss of seniority, pay or benefits dating from the time of the original suspension.

(6) Every action in the nature of a disciplinary suspension or fine exceeding ten days, dismissal or demotion made by the Board shall be final ten days after the Board has rendered its opinion, unless reduced by the mayor, and any person aggrieved thereby, may, within twenty days after said decision shall have become final, appeal to the Circuit Court of the county in which the Board resides. The Board shall be named respondent as the ---------- Civil Service Board and service shall be had on the Chairman thereof. The appeal taken to the Circuit Court shall be docketed by the Clerk thereof as a civil action and may be tried anew, as if no action had been rendered by the Board. Parties shall be entitled to a trial by jury. The judgment of the Circuit Court shall be subject to appeal to the Court of Appeals in the same manner as in civil action.

HB 502, AN ACT relating to civil service in cities of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 90.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each member of the Board *shall* [may] be paid a salary not to exceed a per diem allowance of *$50.00* [$10.00] for each meeting attended, provided, however, that the annual allowance of any one member of the Board shall not exceed the sum of *$1,500* [$500.00] in any one fiscal year, and in addition thereto members shall be reimbursed for necessary travel and other expenses incurred in connection with their duties as members.

(2) The Board shall hold at least one regular meeting in each month and shall hold such additional meetings as may be necessary.

(3) The Board shall keep full and complete minutes of its proceedings, which minutes shall, subject to reasonable regulations, be open to public inspection.

(4) The Board shall elect a Chairman and a Vice Chairman from its members, and the Personnel Director shall be the Secretary-Treasurer thereof.

(5) The Board is authorized and empowered to employ such persons as may be necessary and proper for the efficient conduct of its activities hereunder. The Board may fix the compensation to be paid such employees, in accordance with the schedule of salaries established, or that may be established by ordinance.

SB 201, AN ACT relating to the classification of the City of Fort Mitchell.

WHEREAS, by vote of the residents in the 1966 general election, the fourth class city of South Fort Mitchell and the sixth class city of Fort Mitchell, both located in Kenton County, Kentucky, have merged;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The territory formerly included in the fourth class city of South Fort Mitchell and the sixth class city of Fort Mitchell, both located in Kenton County, Kentucky, is hereby recognized to have been merged into the fourth class city of Fort Mitchell.

The Committee on Rules reported **HB 225** has been posted for passage in Orders of the Day, March 3, 1970.

The Committee on Rules reported **HJR 28, HB 143** with Committee amendment attached thereto, **HB 153, HB 98, HB 220, HB 281, HB 364** with Committee Substitute attached thereto, **SB 198** and **HR 61** have been posted for passage in Orders of the Day, February 27, 1970.

The Committee on Rules reported **HB 293** has been recommitted to the Committee on State Government for further consideration in that it possibly duplicates existing law.

The Committee on Rules reported **HR 35** has been recommitted to the Committee on Appropriations and Revenue to determine cost.

The Committee on Rules reported **HB 264** has been recommitted to the Committee on Counties and Special Districts for the purpose of amending.

The Committee on Rules reported **HB 354** has been recommitted to the Committee on Appropriations and Revenue for fiscal study.

The Committee on Rules reported **HB 414** has been recommitted to the Committee on Cities for the purpose of amending.

Calendar

HB 521, HB 500, HB 497, HB 454, HB 416, HB 395, HB 391, HB 351, HB 350, HB 236, HB 180, HB 166, HB 92, SB 139 and **SB 125** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

Representative Baker filed an amendment to **SB 147.**

The Clerk announced the Committee on Agriculture will hold a Public Hearing at 1:00 p.m., Monday, March 2, 1970.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 112** had been examined and found correctly enrolled. **SB 112** read at length,

compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 5 and **HB 300** delivered, signed by President. Ordered delivered to the Governor.

Orders of the Day

Representative McBrayer moved that consideration of **HB 65** and **HB 95** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 275 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Yocom moved the adoption of the following Amendment to **HB 275:**

Amend printed copy of House Bill 275 on page 3, below line 3, by inserting the following:

"Section 5. A new section of Chapter 336 of the Kentucky Revised Statutes is created to read as follows:

(1) It shall be unlawful for a labor union involved in a labor dispute to import pickets from out of state or to permit any picketing to be done in its behalf by persons from out of state. These practices may be enjoined in addition to being subject to the penalties provided in subsection (2) of this section.

(2) Any labor union violating subsection (1) of this section shall be fined not more than $250 for each offense. Each day of continued violation shall be considered a separate offense."

and on line 4, by changing the designation "Section 5." to "Section 6."

Agreed.

On the roll call the vote was yeas 55—Arnett, Blandford, Blume, Edward G. Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Conn, Curlin, Donnermeyer, Graves, Haney, Head, Hughes, Isler, Keene, Kenton, Kidd, Kleier, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, Mc-

Namara, May, Mershon, Miller, Nett, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Siemens, Swinford, Tobin, Van Horn, Wible, Wright, Wyatt, Yocom. Nays 19—Alexander, Baker, W. Davis, DeMarcus, Dorris, Durham, L. Hardin, Huff, Kessinger, Knuckles, Mitchell, Osborne, Rattliff, Sharpe, Simmons, Stuart, Wells, Wheeler, J. White.

HB 275 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 275** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HR 48** be deferred and that it retain its position in Orders of the Day. Agreed.

SB 65 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 88—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Edward G. Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wheeler, Glenn White, Wible, Wright, Wyatt, Yocom. Nays 0.

SB 65 was passed and the title agreed to.

Representative Kidd moved that the vote by which **SB 65** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 123 taken from Orders of the Day and ordered read at

length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 79—Alexander, Allen, Arnett, Baker, Blandford, Edward G. Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Tobin, Van Horn, Wenz, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 4—DeMarcus, Rattliff, Swinford, Wheeler.

HB 123 passed and the title agreed to.

Representative May moved that the vote by which **HB 123** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 182** be deferred and that it retain its position in Orders of the Day. Agreed.

Senate Message

Announcing passage of **SB 15.**

Orders of the Day (Continued)

HB 389, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Baker moved the adoption of the Committee Amendment to **HB 389**. Agreed.

On the roll call the vote was yeas 82—Alexander, Allen, Baker, Blandford, Blume, Edward G. Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris; Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Yocom. Nays 0.

HB 389 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 389** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 23, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Conn moved the adoption of the Committee Substitute for **HB 23**. Agreed.

Representative Conn moved the adoption of the Committee Amendment to the Committee Substitute for **HB 23**. Agreed.

Representative Conn moved the adoption of the following Title Amendment:

Amend printed copy of Committee Substitute to House Bill 23 on page 1, title, by: amending the title to read: "AN ACT relating to financial disclosure."

Agreed.

Representative Ray moved that **HB 23** be laid on the Clerk's desk.

On the roll call the vote was yeas 13—Blandford, Blythe, Archie Brown, Clapp, Collins, L. T. Hardin, Lovins, Murphy, Priddy, Ray, Sharpe, Van Horn, Glenn White. Nays 61—Alexander, Allen, Baker, Blume, H. Brown, Bruce, Carroll, Clarke, Conn, Curlin, J. Davis, W. Davis, DeMarcus, Deskins, Dorris, Durham, Graves, J. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, Kleier, Knuckles, Lewis, Lindsay, McBrayer, McBride, McCann, McNamara, Massey, Mershon, Miller, Mitchell, Nett, Osborne, Paxton, Peak, Pollitte, Prather, T. Reynolds, W. J. Reynolds, Rickert, Salyers, Schmidt, Siemens, Simmons, Swinford, Tobin, Wenz, Wheeler, J. White, Wible, Wyatt, Yocom.

The motion that **HB 23** be laid on the Clerk's desk was rejected.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, John E. White, Wible, Wright, Wyatt, Yocom. Nays 2—Collins, G. White.

HB 23, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 23,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 82 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that

it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 84—Alexander, Allen, Arnett, Baker, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 82 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 82** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 118, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative McNamara moved the adoption of the Committee Substitute for **HB 118**. Agreed.

On the roll call the vote was yeas 67—Alexander, Allen, Arnett, Blandford, Edward G. Brown, Bruce, Carter, Chapman, Clapp, Clarke, Conn, Curlin, Walter Davis, Deskins, Donnermeyer, Dorris, Graves, Haney, John O. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Siemens, Swinford, Tobin, Van Horn, Wells, Wenz, Glenn White, Wible, Wright, Wyatt. Nays 7—A. Brown, Collins, DeMarcus, McKinney, Osborne, Sharpe, Simmons.

HB 118, by way of Committee Substitute, was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 118**, by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 217** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 237 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Mitchell moved that **HB 237** be laid on the Clerk's desk.

Representative Swinford moved that Representative Mitchell be allowed to withdraw the motion that **HB 237** be laid on the Clerk's desk. Agreed.

Representative McBrayer moved that consideration of **HB 237** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 260 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 86—Alexander, Allen, Arnett, Baker, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Prather, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 260 was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 260** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 317, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holloway moved the adoption of the Committee Amendment No. 1 to **HB 317**. Agreed.

Representative Holloway moved the adoption of the Committee Amendment No. 2 to **HB 317**. Agreed.

On the roll call the vote was yeas 60—Allen, Arnett, Baker, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Haney, L. T. Hardin, Head, Holloway, Huff, Isler, Keene, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, McCann, McKinney, Massey, May, Mershon, Miller, Mitchell, Osborne, Parish, Paxton, Peak, Prather, Priddy, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Wheeler, John E. White, Wible, Wright, Wyatt. Nays 9—Alexander, Graves, J. Hardin, Hinkle, Kenton, McBride, Reed, Swinford, Van Horn.

HB 317 as amended was passed and the title agreed to.

Representative Holloway moved that the vote by which **HB 317** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 319 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 78—Alexander, Allen, Arnett, Baker, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Carter, Chapman, Clarke, Collins, Conn, Curlin,

Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, McBride, McCann, McKinney, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible. Nays 0.

HB 319 was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 319** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 353, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Ruh moved the adoption of the Committee Amendment to **HB 353**. Agreed.

On the roll call the vote was yeas 83—Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Carter, Chapman, Clarke, Conn, Curlin, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, Wheeler, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 353 as amended was passed and the title agreed to.

Representative J. Hardin moved that the vote by which

HB 353 as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 237 taken from Orders of the Day and ordered read at length for the third time. Representative DeMarcus moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 80—Alexander, Arnett, Baker, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carter, Chapman, Clapp, Clarke, Conn, Curlin, Walter Davis, DeMarcus, Deskins, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McCann, McKinney, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wyatt. Nays 1—McBride.

HB 237 was passed and the title agreed to.

Representative DeMarcus moved that the vote by which **HB 237** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 370 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 85—Alexander, Allen, Arnett, Baker, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carter, Chapman, Clarke, Collins, Conn, Curlin, Walter Davis, DeMarcus, Deskins, Dorris, Durham, Floyd, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Schmidt,

Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 1—T. Reynolds.

HB 370 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 370** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 418 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89—Alexander, Allen, Arnett, Baker, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 418 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 418** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 444 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89—Alexander, Allen, Arnett, Baker, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Carter, Chapman, Clarke, Col-

lins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Yocom. Nays 0.

HB 444 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 444** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 217, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Kenton moved the adoption of the Committee Substitute for **HB 217**. Agreed.

Representative DeMarcus moved that **HB 217** be laid on the table.

On the roll call the vote was yeas 36—Arnett, Baker, Blythe, Archie Brown, Hershel Brown, Bruce, Collins, James A. Davis, Walter Davis, DeMarcus, Dorris, Durham, Floyd, L. T. Hardin, Holloway, Huff, Hughes, Keith, Kessinger, Knuckles, Lewis, Lovins, McBrayer, Massey, Nett, Osborne, Pollitte, Rattliff, Salyers, Schmidt, Sharpe, Simmons, Stuart, Wheeler, John E. White, Wright. Nays 46—Alexander, Blandford, Blume, Carter, Chapman, Clapp, Clarke, Conn, Curlin, Deskins, Donnermeyer, Graves, Haney, J. Hardin, Head, Hinkle, Isler, Keene, Kenton, King, Kleier, Lindsay, McBride, McCann, May, Mershon, Miller, Murphy, Paxton, Peak, Prather, Priddy, Ray, Reed, R. Reynolds, Rickert, Roberts, Ruh, Siemens, Swinford, Tobin, Van Horn, G. White, Wible, Wyatt, Yocom.

The motion that **HB 217** be laid on the table was rejected.

On the roll call the vote was yeas 50—Alexander, Blandford, Blume, Blythe, Carter, Chapman, Clapp, Clarke, Conn, Curlin, Deskins, Donnermeyer, Freeman, Graves, Haney, John O. Hardin, Head, Hinkle, Isler, Keene, Kenton, Kessinger, King, Lindsay, Louden, McBride, McCann, May, Mershon, Miller, Mitchell, Murphy, Nett, Peak, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh, Siemens, Swinford, Tobin, Van Horn, Glenn White, Wible, Wyatt, Yocom. Nays 40—Allen, Arnett, Baker, A. Brown, H. Brown, Bruce, Collins, J. Davis, W. Davis, DeMarcus, Dorris, Durham, Floyd, L. Hardin, Holloway, Huff, Hughes, Keith, Knuckles, Lewis, Lovins, McBrayer, Massey, Osborne, Parish, Paxton, Pollitte, Rattliff, W. J. Reynolds, Roberts, Salyers, Schmidt, Sharpe, Simmons, Stuart, Wells, Wenz, Wheeler, J. White, Wright.

HB 217, by way of Committee Substitute, was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 217,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 465 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 88—Alexander, Arnett, Baker, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Yocom. Nays 0.

HB 465 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 465** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative J. Hardin moved that consideration of **HB 478** and **HB 483** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 491 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 81—Alexander, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Collins, Conn, Curlin, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lovins, McBrayer, McCann, McKinney, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Yocom. Nays 2—McBride, Van Horn.

HB 491 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 491** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 34, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative J. Hardin moved the adoption of the Committee Amendment to **SB 34**. Agreed.

On the roll call the vote was yeas 85—Alexander, Allen, Arnett, Baker, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Yocom. Nays 0.

SB 34 as amended was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **SB 34** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 132 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 86—Alexander, Allen, Baker, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Yocom. Nays 0.

SB 132 was passed and the title agreed to.

Representative J. Hardin moved that the vote by which

SB 132 was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative J. Hardin moved that consideration of **SB 115** be deferred and that it retain its position in Orders of the Day. Agreed.

Representative Allen asked that he be recorded as voting "aye" on the passage of **HB 237.** Agreed.

Recess

Representative McBrayer moved that the House recess for thirty minutes.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 565, HB 577.**

Appropriations and Revenue: **HB 571, HB 579.**

Banking and Insurance: **HB 574.**

Cities: **HB 576.**

Education: **HB 575.**

Health and Welfare: **HB 566, HB 568, HB 572.**

Highways and Traffic Safety: **HR 65.**

Judiciary: **HB 569, HB 573.**

Labor and Industry: **HB 578, HB 580.**

Public Utilities and Transportation: **HB 570.**

State Government: **HB 567.**

Announcements

The following meetings were announced by the Clerk:

Special Meeting, Committee on Education, March 2, 1970, 1:30 p.m., Room 401.

Special Meeting, Committee on Health and Welfare, February 27, 1970, 10:00 a.m., Room 401.

Committee on Business Organizations and Professions, February 27, 1970, 11:00 a.m., Room 401.

Committee on State Government, February 27, 1970, 9:00 a.m., Room 402.

The Clerk announced the following Bills and Resolutions were posted for consideration:

Cities: **SB 208.** (Room 401, March 5, 1970, 11:00 a.m.)

State Government: **HB 543, SB 59, HB 534.** (Room 402, February 27, 1970, 9:00 a.m.)

Elections and Constitutional Amendments: **HB 469.** (Special Meeting, Room 401, February 27, 1970, 11:00 a.m.)

Judiciary: **HB 479, HB 520, HB 537, HB 344, HB 505, HB 511, SB 176, SB 35, SB 172.** (Room 402, February 27, 1970, 10:00 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Banking and Insurance: **HB 518, HB 461.**

Senate Message

Announcing passage of **SB 70, SB 216, SB 275, SR 36, HB 19, HB 255, HB 99** and **HB 256.**

Representative Clarke moved that the Rules be suspended for Introduction of Bills and Resolutions. Agreed.

HB 611, by Representatives Kenton, Yocom, Nett, Wyatt, Conn, Lewis, Graves, Siemens, Wible, Kidd, Blume and Mershon: AN ACT relating to neighborhood parks.

HB 612, by Representatives Kenton, Yocom, Nett, Wyatt, Conn, Graves, Lewis, Wible, Siemens, Kidd, Blume and Mershon: AN ACT relating to rodent control.

HB 613, by Representatives Kenton, Lewis, Yocom, Nett, Graves, Conn, Wible, Siemens, Kidd, Blume, Wyatt and Mershon: AN ACT relating to the landlord-tenant relationship.

HB 614, by Representatives Kenton, Yocom, Nett, Graves, Conn, Wible, Siemens, Kidd, Blume, Wyatt and Mershon: AN ACT relating to city housing commissions.

HB 615, by Representatives Kenton, Lewis, Graves, Yocom, Nett, Wible, Conn, Siemens, Kidd, Blume, Wyatt and Mershon: AN ACT relating to sanitation.

HB 616, by Representatives Kenton, Lewis, Yocom, Nett, Graves, Conn, Wible, Siemens, Kidd, Blume, Wyatt and Mershon: AN ACT relating to civic and community auditoriums.

HB 617, by Representatives Kenton, Lewis, Yocom, Nett, Wyatt, Conn, Graves, Wible, Siemens, Kidd, Blume and Mershon: AN ACT relating to ad valorem tax on real property.

HB 618, by Representatives Kenton, Lewis, Yocom, Nett, Graves, Conn, Wible, Siemens, Kidd, Blume, Wyatt and Mershon: AN ACT relating to public health.

HB 619, by Representative Clarke: AN ACT relating to divorce.

HB 620, by Representative DeMarcus: AN ACT relating to small loan companies.

HB 621, by Representative DeMarcus: AN ACT relating to banks and banking.

HB 622, by Representative DeMarcus: AN ACT relating to banks and banking.

HB 623, by Representatives Wright, Holloway, Conn, Carter, King, Ruh, Bruce, Knuckles, Clarke, Haney, Osborne, Keith, Van Horn, L. T. Hardin, West, Huff, Bleemel, Schmidt, Wheeler, McCann, E. G. Brown, Graves, Blume, Siemens, Yocom, Priddy, Kidd, Wyatt, Salyers, Allen, Pollitte, Freeman, T. P. Reynolds, Blandford, Floyd, H. Brown, Kenton, Hinkle, McNamara, Simmons, Ray, Tobin, Carroll, J. O. Hardin, G. White,

May, Durham, Murphy, Deskins, Wible, McBrayer, Wells, Louden, Alexander, Blythe, Massey, Mitchell, J. Davis, W. Davis, Donnermeyer, Mershon and Isler: AN ACT relating to the display of the American Flag.

HB 624, by Representatives Murphy, Yocom, Priddy, Blume, Reed, Kidd, Ruh, Donnermeyer, Conn, Mershon and Keene: AN ACT relating to civil rights.

HB 625, by Representative McBrayer: AN ACT relating to the allocation of amounts recovered by the Attorney General in Federal antitrust actions.

HB 626, by Representatives DeMarcus and Massey: AN ACT relating to mine regulations.

HB 627, by Representatives DeMarcus and Massey: AN ACT relating to mine regulations.

HB 628, by Representatives Kleier and Nett: AN ACT relating to group life insurance for state employes.

HB 629, by Representative Lewis: AN ACT relating to the agreement on detainers.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 28** had been examined and found correctly enrolled. **SB 28** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Representative Peak moved that the House adjourn until 1:00 p.m., Friday, February 27, 1970. Agreed.

FRIDAY, FEBRUARY 27, 1970

FORTY-SECOND LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by Father David Zaumeyer, Church of the Good Shepherd, Frankfort.

The roll was called. All present except Representatives Arnett, Collins, McGill, R. Reynolds, and West.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 26, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 630, by Representative Clarke: AN ACT relating to regulation of pricing.

HB 631, by Representative Kenton: AN ACT relating to urban renewal and redevelopment.

HB 632, by Representative Baker: AN ACT relating to rural telephone cooperative corporations.

HB 633, by Representatives Kenton and Wyatt: AN ACT relating to legislative district offices.

HB 634, by Representatives Swinford, Osborne, Clarke and Hinkle: AN ACT relating to the regulation of dogs.

HB 635, by Representatives Donnermeyer, Mershon and Kenton: AN ACT relating to liability for property damage.

HB 636, by Representative Roberts: AN ACT relating to water districts.

HR 70, by Representative Roberts: A CONCURRENT RESOLUTION directing the Interim Committee on Counties and Special Districts to study the office of Coroner.

Report of Committees

The Committee on Judiciary reported **HB 50** with Committee Amendment attached thereto, **HB 482** with Committee Amendment attached thereto, **HB 505** with Committee Amendment attached thereto, **HB 520, HB 532, HB 479** and **HB 474** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 50, AN ACT relating to changes in the Thirteenth and Twenty-fifth Judicial Districts and creating a new judicial district composed of Mercer and Boyle Counties.

WHEREAS, the Twenty-fifth Judicial District, composed of Clark, Madison and Jessamine Counties, in 1968 conducted more trials and had more civil actions filed than any other multi-county judicial district in the Commonwealth; and

WHEREAS, the Thirteenth Judicial District composed of Boyle, Mercer, Garrard and Lincoln Counties, in 1968 ranked second only to the Twenty-fifth District in the number of trials and civil actions filed in multi-county judicial districts; and

WHEREAS, both the Twenty-fifth Judicial District and the Thirteenth Judicial District are among those districts having the greatest total cases per judge; and

WHEREAS, the Mercer County Bar Association and the Boyle County Bar Association have resolved that their counties should be joined in a new judicial district that would restore prompt judicial administration; and

WHEREAS, the counties of Garrard and Lincoln, remaining in the Thirteenth Judicial District could be joined by Jessamine County, from the Twenty-fifth Judicial District, making an integral circuit of sufficient size, and easing the burden on the Twenty-fifth Judicial District; and

WHEREAS, the population, according to the 1960 Census, of the new judicial district composed of Mercer County and Boyle County would be thirty-five thousand, eight hundred fifty-three, the population of the Thirteenth Judicial District composed of Garrard, Jessamine and Lincoln Counties would be thirty-nine thousand, eight hundred seventy-five and the popu-

lation of the Twenty-fifth Judicial District composed of Clark, and Madison Counties would be fifty-four thousand, five hundred fifty-seven;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Thirteenth Judicial District shall hereafter be composed of the Counties of Garrard, Jessamine, and Lincoln.

Section 2. The Twenty-fifth Judicial District shall hereafter be composed of the Counties of Clark and Madison.

Section 3. A new judicial district is established, to consist of the Counties of Boyle and Mercer.

Section 4. The present circuit judge of the Thirteenth Judicial District shall retain his office for the term for which he was elected for the said district as it has been changed under this Act.

Section 5. The present circuit judge of the Twenty-fifth Judicial District shall retain his office for the term for which he was elected for the said district as it has been changed under this Act.

Section 6. The present Commonwealth's attorney for the Thirteenth Judicial District, being a resident of Mercer County, shall serve as Commonwealth's attorney for the district composed of Boyle and Mercer Counties until the expiration of his term of office.

Section 7. The present Commonwealth's Attorney for the Twenty-fifth Judicial District shall retain his office for the term for which he was elected for the said district as it has been changed under this Act.

Section 8. Until the regular election for circuit judge in 1975, the office of circuit judge for the district composed of Boyle and Mercer Counties shall be filled as provided in Section 152 of the Constitution for offices in which there is a vacancy.

Section 9. Until the regular election for Commonwealth's attorney in 1975, the office of Commonwealth's attorney in the

Thirteenth Judicial District shall be filled as provided in Section 152 of the Constitution for offices in which there is a vacancy.

Section 10. At the regular election in 1975 and every six years thereafter there shall be elected a circuit judge and a Commonwealth's attorney for the judicial district composed of Boyle and Mercer Counties.

The Committee Amendment to **HB 50** is as follows:

Amend printed copy of House Bill 50 on page 3, lines 14 through 21 respectively by striking all words after "Section 8.", on line 14, and substituting therefor the following:

"The changes made in judicial districts and the new offices created by this Act shall take effect January 1, 1971, and no vacancy shall be deemed to exist in any office prior to that time. At the regular election in 1970 the voters shall elect a circuit judge for the district created by this Act and a Commonwealth's attorney for the Thirteenth Judicial District, who shall serve until their successors are chosen as provided by law."

and on page 3, line 22, by renumbering "Section 10" as "Section 9".

HB 482, AN ACT relating to fiduciaries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 395.105 is hereby amended to read as follows:

Every fiduciary, before entering upon the execution of the trust, shall receive letters of appointment from the county court having jurisdiction as now fixed by law. The duties of a fiduciary shall be such as are required by law, and such additional duties not inconsistent therewith as the court may order. *The appointment shall be effective with the signing of an order by the judge.*

Section 2. KRS 395.270 is hereby amended to read as follows:

Five months must run after the date of the qualification of the first personal representative of a decedent's estate, before an action shall be commenced against any executor or administrator

thereof except against an executor de son tort. Any action brought in violation of this action shall be dismissed with costs[.], *except that an alleged creditor whose claim has been denied in writing by the fiduciary may commence action immediately after receipt of such denial.*

Section 3. KRS 395.130 is hereby amended to read as follows:

[(1) Every administrator, administrator with the will annexed and curator, shall give bond, with good sureties, sufficient to secure the value of the whole estate of the decedent.]

[(2) Bond shall not be required of an executor when the will so directs, unless, on the motion of some one interested or from the knowledge of the court, the court may think it proper to require bond. Bond may be required at any time.]

(1) Every fiduciary shall provide surety on his bond unless, on the petition of any interested party, the court upon being satisfied that all interests are adequately protected excuses the requirement of a surety, or unless, by the terms of the will or trust, surety is not required. Subsequent to the qualification of a fiduciary and on motion of any interested party the court may reduce the amount of the bond, release the surety, or permit the substitution of another bond with the same or different sureties. If any executor does not give bond when required to do so, he shall not be permitted to qualify, and, if he has already qualified, he shall be removed.

[(3)] *(2) Whenever any personal representative, guardian, committee or other trustee or fiduciary who is required by law to execute a bond for the faithful discharge of his duties or fulfillment of his trust, procures as surety on his bond an incorporated surety company authorized to do business in this state, the necessary and reasonable cost incident to the bond shall be a lawful charge against the estate in the hands of the fiduciary, as other expenses of administration, and in his settlement the fiduciary shall be entitled to credit by the amount actually paid by him for that purpose, subject to the approval of the court which has approved the bond.*

Section 4. *(1) If any fiduciary resigns or is removed, he shall upon the appointment of his successor settle his accounts.*

(2) If any fiduciary becomes incompetent or dies, the personal representative of his estate shall upon the appointment of a successor fiduciary for the incompetent or decedent settle for his decedent the accounts of the first decedent.

(3) In appointing a successor trustee of a trust created by will, the court shall give preference to that person, or those persons, designated in the will as successor trustee. If there be no such designation or if the court finds the person or persons so designated are not best qualified to protect the interests of the beneficiaries, then the court shall give preference to the persons who apply for appointment, preferring the surviving husband or wife, and then such others as are next entitled to distribution or one or more of them whom the court deems best qualified.

Section 5. KRS 424.340 is hereby amended to read as follows:

[(1) Except as provided in subsections (2) and (3) the administrator or executor of any estate of any decedent shall, upon receipt of his letters of appointment, cause notice to be given by newspaper publication of the fact of his appointment, and that all persons having claims against the estate shall present them, verified according to law, to the administrator or executor, at a designated address, not later than a designated date, to be fixed at three months after the final publication. The first publication shall be made within one month after the receipt of the letters of appointment.]

[(2) Such publication is not required where notice to creditors has been published by a former administrator or executor of the estate.]

[(3) The court may at its discretion dispense with such publication when the gross assets of the estate are insufficient to pay preferred claims. The court may also dispense with publication when the gross assets of the estate, including real and personal property, do not exceed $1500 in value, in which case the administrator or executor, within one month after receipt of his letters of appointment, shall post notices in three prominent places, including the court house of the county of his appoint-

ment, setting forth the fact of his appointment and notifying creditors of the decedent to present their claims to him by a designated date, which shall be three months after the date on which the notices are posted.]

The county clerk shall, at least once each month, cause to be published in the newspaper meeting the requirements of KRS 424.120, a notice setting forth all fiduciary appointments made since the last publication and including at least the following information: the name and address of the decedent or ward; the name and address of the fiduciary. The clerk may charge each fiduciary a fee not to exceed the actual proportionate cost of said notice. Publication of this notice shall neither enlarge nor reduce the obligation of a creditor to prevent a timely claim, nor the liability of the fiduciary or distributee to pay the same.

The Committee Amendment to **HB 482** is as follows:

Amend printed copy of House Bill 482 on page 4, line 28, by:

by deleting the period following the word "fiduciary" and inserting in lieu thereof

", *the date of the fiduciary's appointment and the date by which claims of creditors must be filed.*"

HB 505, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.185 of the Kentucky Revised Statutes is amended to read as follows:

No proceeding under this chapter for compensation for an injury or death shall be maintained unless a notice of the accident shall have been given to the employer as soon as practicable after the happening thereof and unless a claim for compensation with respect to such injury shall have been made within *two years* [one year] after the date of the accident, or in case of death, within *two years* [one year] after such death, whether or not a claim has been made by the employe himself for compensation. Such notice and such claim may be given or made by any person claiming to be entitled to compensation or by some one

in his behalf. If payments of compensation as such have been made voluntarily the making of a claim within such period shall not be required, but shall become requisite following the suspension of such voluntary payments.

The Committee Amendment to **HB 505** is as follows:

Amend printed copy of House Bill 505 on page 1, line 9, by: deleting the words *"two years"* and deleting the brackets around the words "one year"

HB 520, AN ACT relating to levy upon and sale of real property for ad valorem taxes in cities of the third, fourth, fifth and sixth classes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 92.680 of the Kentucky Revised Statutes is amended to read as follows:

(1) If, in any city of the third, *fourth, fifth and sixth* classes, there is no personal property out of which the collector can make the taxes, and the taxes are not paid within four months after he receives the tax books for collection, the collector may levy on any real property in the city belonging or listed to the delinquent taxpayer, and sell so much thereof for cash as will pay the taxes due, commissions and costs. The statutes governing the powers and duties of sheriffs in levying on and selling property under execution shall be applicable to the collector, and shall regulate his powers and action as to the order and manner of levying on property, the mode and time of advertising and the place of sale. *If there is more than one willing purchaser at the sale, the one having made the most recent purchase of a tax claim against the same delinquent on the same property shall have preference; if there is no such person the sale shall be made to the person being the first, in the judgment of the collector, to offer to pay cash in the full amount of the tax claim, including commissions and costs. If no responsible bid in the amount of the tax claim is received, the mayor shall purchase it for the city.* [The mayor, on behalf of the city, shall bid for the property the amount of the taxes due, commissions and costs of sale, and the property shall be sold to the mayor for the city unless someone

offers to pay the same amount for a smaller quantity of the property.]

(2) When the collector levies on real estate, he shall evidence his levy by a writing on a separate paper, in substantially the following form: "By virtue of the collector's tax book for the year_____, placed in my hands for collection by the common council, I have this day levied upon the following described real estate (here give a description of the property) as the property of AB, to satisfy the unpaid taxes of the said AB for the year_____, in favor of the city, and the costs of selling the same."

(3) All such sales of real property by the collector, and all deeds of conveyance made by him in pursuance thereof, shall be as valid as sales and conveyances of real property made by sheriffs under execution, and purchasers of real property at sales made by collectors shall be protected to the same extent, and as completely, as purchasers under execution sales.

HB 532, AN ACT relating to carrying concealed deadly weapons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 435.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person, not expressly authorized by law, who carries concealed a deadly weapon, other than an ordinary pocket knife, on or about his person, or any person who sells a deadly weapon, other than an ordinary pocket knife, to a minor, shall be confined in the penitentiary for not less than two nor more than five years [.], *or confined in the county jail for not more than six months, or fined not less than $50 nor more than $500, or both confined in the county jail and fined.*

(2) Sheriffs, constables, marshals, policemen and other ministerial officers, when necessary for their protection in the discharge of their official duties; United States mail carriers, when actually engaged in their duties; and agents and messengers of express companies, when necessary for their protection

in the discharge of their official duties, may carry concealed deadly weapons on or about their persons.

(3) The offense shall be a felony if the jury imposes a penitentiary sentence and shall be a misdemeanor if it elects to impose a county jail sentence or fine, or both, KRS 431.060 notwithstanding.

HB 479, AN ACT relating to taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 134.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) All personal property owned by a delinquent taxpayer shall be subject to distraint, and all property owned by him shall be subject to levy and sale by the proper collecting officer at any time from February 1 after the tax claim becomes delinquent until the tax claim is barred by limitations, unless otherwise provided by law.

(2) When any taxpayer becomes delinquent in the payment of a tax bill covering any property assessed by the county tax commissioner or the county board of supervisors, or any omitted property irrespective of by whom assessed, the sheriff shall first distrain a sufficient quantity of the delinquent's personal property in the county to pay the tax claim, and a necessary part of this property shall be sold as under execution for cash. *If it becomes necessary for the sheriff to procure means for the removal or transportation of personal property for purpose of sale under this section, and thereby incurs expenses, and following the procurement but prior to the sale the tax bill is paid, the sheriff may add to the tax bill any costs incurred by reason of the procurement.* For failure to first distrain and sell personal property, the sheriff shall be liable for the tax claim represented by the tax bill, but receipt of a quietus for the tax bill shall preclude such liability. Neglect on the part of the sheriff to first distrain and sell personal property shall not affect the validity of the sale of the tax claim, or the lien or the rights of any purchaser thereof. If personal property sufficient to satisfy the tax claim cannot be found in the county, the sheriff shall sell so much of the personal property as is found and enter proper credit on the tax bill.

(3) If no personal property is found, or the amount found is insufficient, a notation to that effect shall be entered on the tax bill. The sheriff shall, after entering this notation on the tax bill, advertise and offer for sale the tax claims of the state, county, and other taxing districts, if there is any real property subject to the lien provided in subsection (1) of KRS 134.420.

(4) No sheriff shall knowingly sell a tax claim on the same tract of land more than once for the same tax.

HB 474, AN ACT relating to circuit courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 23.085 of the Kentucky Revised Statutes is amended to read as follows:

(1) [That] [i]*In* all counties of the state having a town not larger than the fourth class, and containing a population larger than that of the county seat town, according to the last federal enumeration and situated over seventeen miles from the county seat town, *the distance to be measured from the courthouse in the county seat to the geographical center of the town along the most convenient and usually traveled public highways,* the circuit court for each of said counties shall be held alternately so as to divide the time between the county seat town and the larger town as the business of the court may require, the first part of such term as now provided by law to be held at the county seat.

(2) All civil cases arising in such counties shall be tried in the county seat town or the larger town nearest to which the defendant, first named in the complaint, resides.

(3) All criminal cases arising in such counties shall be tried in the county seat town or the larger town nearest to which the offense was alleged to have been committed.

(4) Provided that the expense of furnishing a court room and jail at such larger town shall be borne by the larger town, as well as the expenses of securing a vault and depository for books and papers pertaining to the records of the circuit court of such county, and any other expenses pertaining to the moving of rec-

ords and holding of said court at the larger town without additional expense to the county.

Section 2. Whereas, the annexation of territory by some towns could possibly invalidate action taken by certain courts under this section as presently written, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

The Committee on Business Organizations and Professions reported **HB 308** with Committee Amendments attached thereto, **HB 314** and **HB 490** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 308, AN ACT relating to the practice of contracting.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act will be Chapter 318A of the Kentucky Revised Statutes.

Section 2. A new section of Chapter 318A of the Kentucky Revised Statutes is created to read as follows:

For the purpose of this Act, unless the context requires otherwise:

(1) "Board" means Kentucky Contractors' Licensing Board.

(2) "Owner" means the party with whom any contractor enters into any agreement for the performance of the practice of contracting and shall include the Commonwealth of Kentucky and any political subdivision thereof.

(3) "Contractor" means a person, firm, partnership, corporation, association, or other organization, or a combination of any of them, who, for either a fixed sum, price, fee, percentage, bonus, or other compensation, undertakes to or submits a bid to, or does himself or by or through others, constructs, alters, repairs, adds to, subtracts from, improves, moves, wrecks, or demolishes any building or structure, highway, road, railroad, excavation, sewers, or other structure, project, development, or any improvement on or about the ground or below, or to do any

part thereof, including the erection of scaffolding or other structure or works in connection therewith, and shall include subcontractors, whether engaged by the main contractor or by the owner direct.

(4) "General contractor" means one whose principal business is the general construction of any structure built, being built, or to be built, or to be built for support, shelter and enclosure of persons, chattels or movable property of any kind, requiring in its construction the use of more than two unrelated building trades or crafts, or to do or superintend the whole or any part thereof, but does not include a person or firm who merely furnishes materials or supplies, without fabricating them into or consuming them in performing the work of the general building contractors. The provisions of this Act shall apply to all contracts or undertakings covered by this classification in the amount of fifty thousand dollars or more.

(5) "Highway, heavy and utilities contractor" means one whose principal business is in connection with but not limited to highway construction or fixed works for any or all of the following divisions or subjects: tunnels in connection with highways, bridges in connection with highways, paving, streets, alleys, sidewalks, culverts, underpasses, overpasses, highway viaducts, cloverleaf structures, curbs, elevated highways, irrigation, drainage, water power, water supply, water treatment plants, flood control, dams, revetments, inland waterways, harbors, railroads, tunnels, sewers, airports, airways, sewerage disposal plants, grade separations, hydroelectric development, transmission lines, pipe lines, dikes, levees, bridges, etc. The provisions of this Act apply to all contracts or undertakings covered by this classification in the amount of fifty thousand dollars or more.

(6) "Electrical contractor" means one whose principal business is the performance of contracts or undertakings relating to electrical installations of any type. The provisions of this Act apply to all contracts or undertakings covered by this classification in the amount of twenty-five hundred dollars or more.

(7) "Mechanical contractor" means one whose principal business is the performance of contracts or undertakings related to plumbing, heating, ventilating, piping, sprinkler system, or air-conditioning of any type. The provisions of this Act apply to

all contracts or undertakings covered by this classification in the amount of twenty-five hundred dollars or more.

(8) "Specialty contractor" means one whose principal business is the performance of construction work requiring special skill and involving the use of specialized building trades or crafts such as, but not limited to, sheet metal, plastering, roofing, painting, glazing, masonry, paving, landscaping, caulking, waterproofing, or any phase of construction not covered by subsections (4), (6) and (7) of this section. The provisions of this Act apply to all contracts or undertakings covered by this classification in the amount of twenty-five hundred dollars or more.

Section 3. A new section of Chapter 318A of the Kentucky Revised Statutes is created to read as follows:

(1) In order to safeguard life, health and property and to promote the general public welfare, by requiring that only properly qualified persons be permitted to engage in contracting in the Commonwealth of Kentucky, there is hereby created a Kentucky Contractors' Licensing Board.

(2) The Board shall consist of eight members, one from each congressional district and one from the state at large, who shall be appointed by the governor. The initial members of the board shall be appointed as follows: two members for a term of one year, three members for a term of two years, and three members for a term of three years. The term of office of each member shall expire on the 30th day of June. The governor shall appoint sufficient members for a term of three years each to fill the vacancies caused by the expiration of the original terms of office. Each board member shall hold office, after the expiration of his term, until his successor is duly appointed or qualified. If a vacancy occurs in the board for any cause, the same shall be filled by the governor for the expiration of the term by a person possessing the same qualifications as his predecessor.

(3) Each board member must be at least thirty years of age, a resident of the Commonwealth of Kentucky for the immediately previous five years and a currently active contractor of not less than ten years experience in responsible charge of contracting undertakings. Three members of the board shall have been engaged primarily in the business of a general contractor. Two

members of the board shall have been engaged primarily in the business of highway, heavy and utilities contracting. One member of the board shall have been engaged primarily in the business of electrical contracting. One member of the board shall have been engaged primarily as a mechanical contractor. One member of the board shall have been engaged in the business of a specialty contractor.

(4) Each member of the board shall receive from the agency fund hereinafter established, an amount, to be determined by the board, not to exceed fifty dollars for each day or portion thereof, spent in the performance of his official duties, including time spent in necessary travel, and in addition, shall be reimbursed for all proper traveling and incidental expenses incurred in connection with said duties.

(5) A quorum of the board shall consist of five members. The concurring votes of five members shall be considered as the action of the board, except in the case of refusing or revoking a license, in which case a vote of three-fourths of the membership of the board shall be required.

(6) Each member of the board before entering upon his duties shall take an oath to properly perform the duties of his office as a member of the Kentucky Contractors' Licensing Board and to uphold the Constitution of Kentucky and the Constitution of the United States.

Section 4. A new section of Chapter 318A of the Kentucky Revised Statutes is created to read as follows:

The board shall possess the following powers and duties:

(1) Elect a chairman and vice-chairman from its membership who shall serve for a term of one year.

(2) Employ a secretary-treasurer, who need not be a member of the board, and prescribe his duties and compensation. The secretary-treasurer shall give bond in a sum determined by the board with acceptable surety thereon, conditioned on the faithful performance of the duties of his office and the faithful accounting of all monies and other property that shall come into his hands.

(3) Employ the clerical, stenographic and other personnel necessary, in its judgment, in the administration of this Act and

may prescribe their duties and fix their compensation. The board is entitled to the services of the office of the Attorney General of the Commonwealth of Kentucky and may employ additional legal counsel if it from time to time deems necessary.

(4) The board shall adopt a seal which shall have on it the words "Kentucky Contractors' Licensing Board."

(5) Prescribe and conduct examinations for the licensing and classification of contractors and issue and annually renew licenses therefor.

(6) Meet at the times as it deems necessary to administer this Act, and conduct examinations of applicants, but in no event less than quarterly.

(7) Suspend or revoke the license of any contractor for gross incompetency or negligence in performance of any contract, unprofessional conduct or conduct tending to bring the profession into disrepute, including defaulting in performance of a contract or failing to pay materialmen, laborers, or suppliers sums due them, but nothing herein contained shall prevent any contractor from in good faith contesting the validity or amount of any claim; making a false statement misrepresentation for the purpose of securing a license hereunder; or violating any provisions of this Act or any duly adopted regulation of the board. No license shall be suspended or revoked without a hearing upon written notice of not less than sixty days setting forth the alleged grounds therefor.

(8) Adopt all other bylaws, rules and regulations not inconsistent with this Act that are reasonable and necessary to safeguard life, health and property and to promote the general welfare by insuring that only qualified persons engaged in the practice of contracting in the Commonwealth of Kentucky.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) On and after January 1, 1971, no person shall engage in the practice of contracting in this state without having first obtained a license from the board.

(2) An applicant shall make and file with the board not less than sixty days prior to any regular or special meeting thereof,

a written application on such form as the board may prescribe. Said application may cover one or more classifications of contracting. Such application shall be accompanied by either a balance sheet or other financial statement which appropriately reflects the net worth of the applicant, together with such additional information as the board may reasonably require in order to fairly determine the maximum bid limit of any single contract which the applicant may undertake. The maximum bid limit of any applicant shall be ten times the net worth as reflected by the aforementioned balance sheet or financial statement. Provided, however, that the board may give further consideration to the present market value of the listed assets when properly supported by substantiating evidence and the combined balance sheet or financial statement of the applicant and wholly or substantially owned subsidiary interests. Based upon such financial data, each applicant shall be classified as to the maximum bid limit for any single contract or undertaking, other than one for which a performance bond with corporate surety of a bonding company licensed to do business in this state is given, as follows:

Class A—Not to exceed	$ 25,000.
Class B—Not to exceed	$ 50,000.
Class C—Not to exceed	$ 100,000.
Class D—Not to exceed	$ 500,000.
Class E—Not to exceed	$1,000,000.
Class F—Not to exceed	$3,000,000.
Class U—Unlimited.	

(3) If the application and the supporting financial data comply with the rules and regulations of the board, the applicant shall be given an examination reasonably designed to test his qualifications for the practice of contracting in the classifications for which application is made. The examination may be written or oral or both and shall be designed to ascertain knowledge of the applicant, his ability to make practical application thereof, including the reading of plans and specifications, estimation of coats, and construction skills. In addition, the board shall thoroughly investigate past performance of the applicant and his personal and business reputation.

(4) (a) Any applicant who successfully passes an examination shall be issued a license authorizing him to engage in the practice of contracting in the classifications for which he has been successfully tested and specifying the maximum bid limit.

(b) Any applicant who fails to successfully pass an examination may have his application reconsidered and be re-examined at any subsequent regular or special meeting of the board upon the payment of a re-examination fee in an amount to be determined by the board, not to exceed twenty dollars.

(5) Any corporation, partnership, association or other organization may be licensed if the member or officer thereof who is actively engaged in the applicant's business satisfactorily passes the examination. Such licensee, is entitled to hold and annually renew the license so long as there is actively engaged in its business a member or officer who has passed the examination.

(6) Any applicant who during the year immediately preceding the effective date of this Act has been actively and continuously engaged in the practice of contracting in this state is entitled to a license without examination if application is made therefor prior to January 1, 1971. The application shall be on a form the board prescribes, shall state the classifications in which the applicant seeks to be licensed, and shall be accompanied by the required financial data for a determination of the maximum bid limit and the proof of previous experience the board requires.

(7) Any applicant holding a certificate of eligibility from the Department of Highways is entitled to a license in such classification without examination and to a maximum bid limit not less than that contained in the certificate of eligibility if application is made therefor prior to January 1, 1971. The application shall be on the form and accompanied by the proof the board prescribes.

(8) Any licensee may at any time apply to the board for a higher maximum bid limit upon submission of additional financial data with application therefor.

Section 6. A new section of Chapter 318A of the Kentucky Revised Statutes is created to read as follows:

(1) The secretary-treasurer shall keep a record of the proceedings of the board and a register of all applicants for licenses, showing for each the date of application, name, qualifications, place of business, and whether the license was granted or refused, and if granted the number, and classifications and maximum bid limit thereof. The books and register of this board are prima facie evidence of all matters recorded therein and a certified copy of the books or register, under the seal of the board, attested by its secretary-treasurer, shall be received in evidence in all courts in this state in lieu of the original. A roster showing the names and place of business of all licensed contractors shall be prepared and kept current by the secretary-treasurer of the board.

(2) All original licenses issued shall be for the period ending December 31, 1971. All licenses thereafter issued or renewed shall expire on the 31st day of December following their issuance or renewal.

(3) Applications for renewal of licenses shall be on the form the board may prescribe and shall be accompanied by current financial data if there has been any substantial change in the financial condition of the applicant.

(4) All applications for original licenses, by examination or otherwise, shall be accompanied by a fee of thirty dollars. All applications for renewal of a license shall be made prior to the expiration of the existing license and shall be accompanied by a fee to be determined by the board, not to exceed twenty dollars.

Section 7. A new section of Chapter 318A of the Kentucky Revised Statutes is created to read as follows:

All fees imposed and collected under this Act shall be paid to the secretary-treasurer of the board for the use of the board, and shall be deposited in the State Treasury to the credit of an agency fund for the use of the board, and all expenses of the board shall be paid therefrom.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

No licensee who is licensed by examination for the performance of a contract in this state for the first time shall perform

work on any subsequent contract until satisfactory evidence has been furnished the board that the initial contract is being satisfactorily performed, which may be certified to by the owner or by a licensed architect on the project.

Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) All plans and specifications for work to be contracted for in Kentucky shall include in their specifications a reference to this Act and notice that all contractors must be licensed under the terms hereof.

(2) There shall be no award of any contract, issuance of any work order, or any building or other permit for the construction of any improvement to any person without evidence that he is either exempt from or has been duly licensed under the terms of this Act.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Nothing contained in this Act shall apply to the contracting for or construction of any farm building, farm improvement, residential dwelling or complex of residential dwellings.

(2) Nothing contained in this Act shall apply to the contracting for or construction of any improvement by the United States Government, the Commonwealth of Kentucky, or any political subdivision thereof when performed by its own employees.

(3) Nothing contained in this Act shall operate to prevent the Department of Highways from complying with any Act of Congress and any rules and regulations promulgated by any Federal Bureau, for carrying out the provisions of the Federal Highway Act, or shall apply to any person, firm or corporation proposing to submit a bid or enter into contract for any work to be financed in whole or in part with Federal Aid Road Funds in such manner as will conflict with any Act of Congress or any such rules and regulations of the United States Secretary of Commerce.

(4) Nothing contained in this Act shall repeal or waive any of the requirements of Chapters 176 and 318 of the Ken-

tucky Revised Statutes, but the provisions and requirements of this Act are in addition thereto.

Section 11. A new section of Chapter 318A of the Kentucky Revised Statutes is created to read as follows:

(1) Any person aggrieved by any act of the board may appeal to the Circuit Court of the county in which he resides within twenty days from the date of the board's action. The complaint shall allege in what respects the action of the board was erroneous and prejudicial to him and there shall be filed therewith a copy of the order of the board from which the appeal is taken, and there shall be posted a bond to secure the costs of the action in a sum approved by the circuit clerk. The clerk shall cause summons to be issued for the board, in which it shall be directed to file a copy of the transcript of the proceedings before it.

(2) No new or additional evidence shall be introduced and the court shall determine whether the board acted without or in excess of its powers and whether the order appealed from is supported by any substantial evidence.

(3) Any party aggrieved by the judgment of the Circuit Court may appeal to the Court of Appeals in accordance with the Rules of Civil Procedure.

Section 12. A new section of Chapter 318A of the Kentucky Revised Statutes is created to read as follows:

The provisions of this Act are severable. If any part of the Act is declared invalid or unconstitutional, such declaration shall not affect the part which remains.

Section 13. A new section of Chapter 318A of the Kentucky Revised Statutes is created to read as follows:

Any person violating any provision of this Act is guilty of a misdemeanor and shall be fined not to exceed two hundred dollars for each offense and each day of violation constitutes a separate offense.

Section 14. This Act shall become effective on July 1, 1970, but, no person is required to obtain a license prior to January 1, 1971.

The Committee Amendment No. 1 to **HB 308** is as follows:

Amend printed copy of House Bill 308 on page 3, line 8, by: placing a comma after the word etc. and inserting the following:

"but does not include a person or firm who merely furnishes materials or supplies."

AND on page 11, Section 8 (lines 16 through 23) by striking Section 8 in its entirety, thereby deleting said Section from the Act as amended.

The Committee Amendment No. 2 to **HB 308** is as follows:

Amend printed copy of House Bill 308 on page 4, lines 25-27 by: striking lines 25, 26 and 27 in their entirety, and on line 28 by striking the word "undertakings." , and inserting in lieu thereof the following:

"a resident of the Commonwealth of Kentucky and a currently active contractor of not less than five years experience in responsible charge of contracting"

and on page 12, after line 16, by, first, inserting two new subsections to be numbered subsections (3) and (4) as follows:

"(3) Nothing contained in this Act shall apply to any public utility, including rural electric cooperatives and municipal utilities, or to any person, firm or corporation employed to install, operate, maintain, remove, relocate or repair any public utility facility.

"(4) Nothing contained in this Act shall apply or operate to deny to any person, firm or corporation financing in whole or in part with any federal aid, loan, or grant otherwise available to such person, firm or corporation."

and then on the same page 12, lines 17 and 27, by changing the numbering of subsections (3) and (4) of Section 10 in the bill as now printed to subsections (5) and (6) respectively.

HB 314, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Sections 231.160 and 231.170 of the Kentucky Revised Statutes are hereby repealed.

Section 2. The provisions of this Act shall become effective as of July 1, 1970.

HB 490, AN ACT relating to public accountancy.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Chapter 325A of the Kentucky Revised Statutes is hereby created:

Section 2. A new section of Chapter 325A of the Kentucky Revised Statutes is hereby created to read as follows:

The General Assembly makes the following findings of fact and declaration of public policy with respect to the purposes of this Act: that for many years the General Assembly has provided for the licensing and regulating of persons in the field of public accounting; since 1946, all persons offering accounting services to the public as Certified Public Accountants and Public Accountants have been licensed and regulated under acts of the General Assembly, codified as Chapter 325 of the Kentucky Revised Statutes; the licensing and regulation of Certified Public Accountants and Public Accountants has been in the best interests of the public; a large number of persons other than Certified Public Accountants are serving the public of the State of Kentucky in the preparation of books, records and financial statements, and that the public has no means to determine which persons are skilled and ethical practitioners and which persons are not, nor is there any regulation of persons in the practice of accountancy other than of those who are Certified Public Accountants; confidence and trust are such essential characteristics of the relationship between practitioners of accounting and their clients, that the imposition of reasonable regulation to assure high standards of ethics and competence is a justifiable exercise of the State's police power in the interest of the public welfare, the public interest and welfare require that there be created a class of practitioners of accounting to include those competent and ethical practitioners who are not Certified Public Accountants, and that such class be licensed and regulated; to accomplish

this, it is proposed that, in addition to Certified Public Accountants, the practicing professional accountants be designated Accounting Practitioners and be it authorized that a Board be established for their examination, licensing and regulation as provided in this Act.

Section 3. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context requires otherwise:

(1) The term "board" when used in this Act means the Kentucky Board of Accounting Practitioners created by Section 4 of this Act.

(2) The term "state" when used in this Act includes and means any state, territory or insular possession of the United States or the District of Columbia.

(3) The term "accounting practitioner" means a person licensed under this Act.

(4) The term "certified public accountant" means a person issued a certificate of certified public accountant under KRS Chapter 325.

(5) The term "public accountant" means a public accountant issued a permit to practice by the State of Kentucky under the Public Accounting Act of 1946 as amended.

Section 4. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby created a Kentucky Board of Accounting Practitioners which shall license and examine accounting practitioners. The board shall consist of five members, appointed by the Governor.

(2) The term of office of members of the board shall be four years, except as otherwise provided in this section. Upon the expiration of his term of office a member shall continue to serve until his successor shall have been appointed and shall have qualified. Vacancies occurring during a term shall be filled by appointment for the unexpired term. Only accounting practitioners licensed under this Act shall be eligible for appointment to the board.

(3) Whenever an appointment is to be made the Board of Directors of the Kentucky Institute for Accountancy shall submit to the Governor the names of three persons for each vacancy to be filled. All persons recommended must be licensed under this Act and qualified for membership on the board, and the Governor shall appoint one of the three.

(4) The members of the board first appointed shall hold office, two for one year, one for two years, one for three years, and one for four years from the effective date of this Act, the term of each to be designated by the Governor. Succeeding appointments shall be for a term of four years. The initial appointment of members of the board, prior to the issuance of licenses, shall be made by the Governor on recommendation of the Board of Directors of the Kentucky Institute for Accountancy and said appointments shall be conditioned upon such appointees being licensed by the board within ninety days after the date of their appointment.

(5) The Governor shall remove from the board any member whose license to practice is not renewed, or which has become void, revoked, or suspended and may, after a hearing, remove any member of the board for neglect of duty or other just cause.

Section 5. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

(1) The members of the board shall qualify by taking the oath of office before a Circuit Judge or other officers empowered to administer oaths and the record thereof shall be filed in the office of the Secretary of State.

(2) At the first meeting of the board after each annual appointment the board shall elect a chairman, a vice-chairman, and a secretary-treasurer. The secretary-treasurer shall give such bond as the board shall from time to time direct.

(3) Members may receive a per diem of twenty-five dollars and expenses for each day actually engaged in the duties of his office and mileage at the rate provided by law for state employees for all distances necessarily traveled going to and from the meetings of the board.

(4) A quorum of the board shall consist of three members.

Regular meetings shall be held at least twice a year at a convenient time and place. Such other meetings of the board as are deemed necessary shall be held on the call of the chairman or of any two members of the board at such time and place that may be designated.

(5) The board may prescribe rules, regulations and by-laws, in conformance with the provisions of this Act for its own proceedings and government and for the examination of applicants to be licensed by it. The board may promulgate and amend rules of conduct appropriate to establish and maintain a high standard of integrity and dignity on the part of accounting practitioners holding annual permits issued by it. Within sixty days after the promulgation of any such rule or amendment, the board shall mail copies of the rule or amendment to each holder of a permit issued under this Act with a notice advising him of the effective date of the rule or amendment. Failure to mail such rule, amendment or notice to all permit holders shall not affect the validity of any such rule or amendment.

Section 6. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

All fees and other monies received by the board pursuant to the provisions of this Act shall be paid to the treasurer of the board for the use of the board, and shall be deposited in the State Treasury to the credit of a revolving fund for the use of the board. No part of this revolving fund shall revert to the general funds of this state. The compensation provided by this Act and all expenses incurred under this Act shall be paid from this revolving fund. No such compensation or expense shall be a charge against the general funds of this state. The board shall file an annual report of its activities with the Governor, and such report shall include a statement of all receipts and disbursements.

Section 7. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

The practice of accountancy is the holding of oneself out to the public as skilled in the knowledge, science and practice of accounting as qualified and ready to render professional services therein as an accounting practitioner, public accountant or certified public accountant for compensation, or the performing of

such work of an accountant for more than one person or entity on a fee basis, in any of the following services: auditing; bookkeeping; devising and installing accounting systems; recording and presentation of financial information or data; verification of accounts; schedules, reports, or exhibits for publication, credit purposes; use in courts of law or equity, and for other purposes; Provided, that other services including the selling and installing of computers and bookkeeping equipment and forms, and the preparation of tax returns shall not be construed as the practice of accountancy if no representation is made that the person performing such services is a public accountant, accounting practitioner or a certified public accountant.

Section 8. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

It shall be unlawful for any person to hold himself out as an accounting practitioner or to use the title of Accounting Practitioner or the designation AP, or to perform the functions set forth in Section 7 of this Act in this State unless such person shall have obtained a license from the board as provided in this Act. It shall be unlawful for any partnership to hold itself out as a partnership of accounting practitioners unless it is registered with the board and meets the following requirements:

(a) At least one general partner must be an accounting practitioner of this State in good standing.

(b) Each partner personally engaged within this State in the practice of public accounting as a member thereof must be an accounting practitioner of this State in good standing.

(c) Each partner must be an accounting practitioner in good standing of some state of the United States.

(d) Each resident manager in charge of an office of a firm in this State must be an accounting practitioner of this State in good standing.

Section 9. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

Any person (a) who is a resident of this State, or has a place of business therein and (b) who has attained the age of twenty-one years, and (c) who is of good moral character and (d) who

meets the requirements of subsection (1), and (2), or (3) of this section may register with the board as an accounting practitioner within one year from the effective date of this Act.

(1) Persons who hold themselves out to the public as accountants, accounting practitioners or bookkeepers and who are engaged as principals or partners within this State on or before the effective date of this Act, in the practice of accountancy as their principal occupation and who for two years have been continuously engaged within this State in the practice of accountancy as their principal occupation from such date until the date of their application for licensing;

(2) Persons serving in the Armed Forces of the United States of America at the effective date of this Act who for two years immediately prior to entering such service held themselves out to the public as accountants or bookkeepers and were engaged as principals or partners within this State, in the practice of accounting as their principal occupation. In the case of any such person, the time for licensing without examination shall be extended for a period of one year from the time such person is separated from active duty with such service.

(3) Persons engaged for at least two years on the effective date of this Act in an accounting or auditing position with the government of the United States, this state or political subdivision of this State for which an examination in accounting or qualifying experience or education in accountancy is required.

(4) Except as provided above, in order to be eligible for licensing under this Act as an accounting practitioner, an applicant must: (a) be a high school graduate or have equivalent training satisfactory to the board; (b) be of good moral character and reputation; (c) be a resident of this State; (d) be at least 21 years of age; and (e) must pass a written examination approved by the board. A graduate of a four year college or university accredited by the State accrediting agency for colleges and universities or any other regional association having equivalent standards with a major in accounting may be licensed as an accounting practitioner without examination provided he meets the requirements of (a), (b), (c) and (d) of this subsection.

Section 10. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

(1) All examinations for Accounting Practitioners shall be written and shall adhere to the standards established by the National Society of Public Accountants and shall cover subjects as follows: (a) theory of accounts; (b) practical accounting; (c) auditing; (d) commercial law as affecting accountancy.

(2) The examination for persons applying for a license as an accounting practitioner shall be held at least twice each year at a location selected by the board.

(3) Each subject upon which an applicant is examined shall be marked separately and each applicant shall be required to obtain a passing grade of not less than 75 percent on each subject upon which he is examined. All examination papers shall be preserved for a period of not less than 90 days after the applicant shall have been notified of his grade and any applicant who desires to do so upon request to the board may have access to his papers at the office of the board. In the event that an applicant passes at least two subjects on the examination, he shall have the right to be re-examined in the remaining subjects at subsequent examinations held by the board. If the applicant passes the remaining subjects within a period of five years, he shall be considered to have passed the examination.

Section 11. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

(1) The board shall charge each applicant a fee of twenty-five dollars for the examination provided for by this Act, which fee shall be payable at the time of making application. There shall be a re-examination fee of twelve dollars and fifty cents for each subject in which the candidate is examined.

(2) The board shall charge a fee not exceeding fifty dollars for the initial licensing under section 9 of this Act.

(3) The board shall in each case determine whether the applicant is eligible for licensing. Any individual who is so licensed and who holds a current annual permit issued under this Act shall be known as an accounting practitioner and shall have reserved to him the use of the designation Accounting Practitioner the abbreviation AP.

Section 12. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

(1) Any partnership engaged in this State in the practice of accounting as accounting practitioners shall register with the board as a partnership of accounting practitioners. To qualify for registration, it must meet the requirements provided in section 8 of this Act.

(2) Application for such registration must be made upon the affidavit of a general partner of such partnership who holds a permit to practice in this State as an accounting practitioner. The board shall in each case determine whether the applicant is eligible for registration. The partnership which is so registered and which holds a current annual permit issued under this Act may use the words Accounting Practitioners in connection with its partnership name. Notification shall be given the board, within one month, after the admission to or the withdrawal of a partner from any partnership so registered.

(3) The board shall charge a fee not to exceed twenty-five dollars for initial registration of partnerships.

Section 13. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

(1) Upon authorization by the board, permits to engage in practice in this State as accounting practitioners shall be issued by the State of Kentucky to holders of the license as accounting practitioners issued under this Act and to partnerships of accounting practitioners registered under this Act; provided, all offices in this State of such licensees or registrants are maintained and registered as required under this Act. There shall be an annual permit fee for individuals in an amount to be determined from time to time by the board not to exceed twenty-five dollars. All permits shall expire on the last day of June of each year and may be renewed for the period of one year by licensees in good standing upon payment of the annual permit fees. There shall be no fee for the license of annual partnership permits.

(2) In its discretion the board may reduce or waive the annual fee in case of illness, retirement from practice or similar situations. Failure of the license holder to pay the fee for an annual permit to practice within (a) three years from the ex-

piration date of the permit to practice last obtained or (b) three years from the date upon which the licensee was granted his license, if no permit was ever issued to him, shall deprive him of the right of such permit unless the board, in its discretion, determined such failure to have been due to excusable neglect. The decision of the board, in such cases, shall be final. In such cases, the renewal fee or the fee for the issuance of the original permit, as the case may be, shall be an amount as the board shall from time to time determine but not in excess of seventy-five dollars.

Section 14. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

(1) After notice and hearing as provided in this Act, the board may revoke, suspend or refuse to renew any license or permit issued to an individual or to a partnership under this Act, or may censure the holder of any such license or permit for any one or any combination of the following causes:

(a) Conviction of a crime involving moral turpitude, under the law of any State or of the United States or of any other country, in which case the record of conviction, or a copy thereof, certified by the clerk of court or by the judge in whose court the conviction is had, shall be conclusive evidence thereof; and the word conviction shall include a plea of guilty or a plea of nolo contendere;

(b) The securing of any license or permit by fraud or deceit;

(c) For unprofessional conduct or for gross negligence in his profession;

(d) The revocation or suspension of the license or the revocation, suspension or refusal to renew the permit to practice of any partner;

(e) The cancellation, revocation, suspension or refusal to renew the authority of the partnership or any partner thereof to practice public accounting in any other state for any cause other than failure to pay an annual registration fee in such other state;

(f) The violation of the rules of conduct as promulgated from time to time by the board;

(g) The provisions of (d) and (e) of this subsection shall

apply only to the revocation, suspension or refusal to renew a partnership permit issued under this Act.

(2) Prior to any disciplinary proceedings, the board shall give to the person or partnership involved at least thirty days notice by registered mail. The notice shall state the time and place of the hearings and the nature of the charge. The person or partnership shall have the right to attend and to be represented by counsel. The board, or any member thereof, may issue subpoenas to compel the attendance of witnesses and the production of documents, and may administer oaths, take testimony, hear proofs and receive exhibits in evidence for all purposes required in the discharge of its duties. In case of disobedience of a subpoena, the board may invoke the aid of any court of competent jurisdiction of this State in requiring the attendance and testimony of witnesses and the production of documentary evidence and shall adopt a seal to be affixed to all of its official documents.

Section 15. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

(1) Nothing in this Act shall prevent the employment by a certified public accountant, public accountant, or accounting practitioner, or by a partnership or a corporation, of persons not registered as accounting practitioner under the provisions of this Act, to serve in various capacities, as needed; provided, that such persons work under the control and supervision of certified public accountants, public accountants or accounting practitioners who are registered under the provisions of this Act or under Chapter 325 of the Kentucky Revised Statutes; and provided, further, that such persons do not issue any statements or reports over their own names except such office reports to their employers as are customary; and provided, further, that such persons are not in any manner held out to the public as accounting practitioners as described in this Act.

(2) No person other than a certified public accountant or a licensed public accountant shall make any representation or express any opinions based upon an audit as to whether any statement containing financial data presents fairly the client's over-all financial position or the over-all results of its operations.

Section 16. A new section of Chapter 325A of the Kentucky Revised Statutes is created to read as follows:

Any person who shall violate any provision of Sections 7 through 14 of this Act shall be deemed guilty of a misdemeanor and upon conviction shall be fined not less than fifty dollars nor more than five hundred dollars. Each violation shall constitute a separate offense. For a second offense and each subsequent offense, such person shall be fined not exceeding one thousand dollars. To these fines may be added imprisonment for any period not exceeding six months.

The Committee on Elections and Constitutional Amendments reported **HB 469** and **SB 77** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 469, AN ACT relating to voter registration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 117 of the Kentucky Revised Statutes is created to read as follows:

Any action required by this chapter to be taken by a county clerk may be taken by a deputy county clerk.

Section 2. A new section of Chapter 117 of the Kentucky Revised Statutes is created to read as follows:

(1) The county clerk shall, at the request of the chief executive officer of any city within the county, establish a branch registration office within that city on any or all Fridays and Saturdays within three weeks prior to closing the registration books as required by subsection (1) of KRS 117.620.

(2) The chief executive officer of the city shall request the establishment of the branch registration office no later than one week before the day or days requested, and the city shall provide office space in a public building for the branch office and shall reimburse the county clerk for all expenses reasonably incurred in maintaining that office for the requested period, including but not limited to salaries of the persons maintaining the office and travel expenses between the county seat and the city.

SB 77, AN ACT relating to campaign contributions and expenditures in elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 123.005 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 123.005, 123.051 to 123.101 and 123.991:

(1) "Registry," means the Kentucky Registry of Election Finance.

(2) "Election," means any primary, regular or special election to fill vacancies.

(3) "Committee," means any [person or] combination of two or more persons acting jointly, including a state or county executive committee of a political party, or any other organization or group, organized, in whole or in part, for the purpose of furthering political candidacies.

Section 2. Section 123.051 of the Kentucky Revised Statutes is amended to read as follows:

The provisions of KRS 123.005, 123.051 to 123.101 and 123.991 shall apply to all candidates running for public office in any primary or general election, or in any special election to fill a vacancy, except those candidates running for Boards of Education, county and local district offices filled by less than a countywide constituency and offices in cities of the third, fourth, fifth and sixth class. However, the provisions of 123.095 shall apply to all candidates for public office.

[(1) The provisions of KRS 123.005, 123.051 to 123.101 and 123.991 shall apply in all partisan primary or general elections held in the Commonwealth of Kentucky.]

[(2) The provisions of KRS 123.005, 123.051 to 123.101 and 123.991 shall not apply in any election for any public office which is elected by less than a countywide constituency, except as provided in subsections (3) and (4) of this section. Neither shall the provisions of KRS 123.005, 123.051 to 123.101 and 123.991 apply in any election for the office of circuit judge or Judge of the Court of Appeals.]

[(3) The provisions of KRS 123.005, 123.051 to 123.101 and 123.991 shall apply in all partisan primary and general elections held in cities of the first, second, or third class.]

[(4) The provisions of KRS 123.005, 123.051 to 123.101 and 123.991 shall apply in all elections for the Kentucky General Assembly and for the Congress of the United States.]

[(5) The provisions of KRS 123.005, 123.051 to 123.101 and 123.991 shall apply to any election held to fill a vacancy for any public office covered under subsection (1), (3) and (4) of this section.]

Section 3. Section 123.061 of the Kentucky Revised Statutes is amended to read as follows:

(1) The registry shall appoint a full time executive and such other employes as are necessary to provide the service to carry out all purposes of KRS 123.005, 123.051 to 123.101 [and 123.991], including an attorney or attorneys on a full or part time basis.

(2) The registry shall adopt such regulations, official forms and perform such duties as are necessary to implement the provisions of KRS 123.005 *and* [,] 123.051 to 123.101 [and 123.991]. The registry is authorized and empowered to:

(a) Develop prescribed forms for the making of the required reports;

(b) Prepare and publish a manual for all candidates and committees, describing the requirements of the law, including uniform methods of bookkeeping and reporting;

(c) Develop a filing, coding and cross-indexing system;

(d) Permit copying or photocopying of any report as requested by any person;

(e) Preserve all reports for at least *two* [ten] years from date of receipt;

(f) Prepare and make available for public inspection a summary of all reports grouped according to candidates and parties, containing the total receipts and expenditures, and the date, name, address and amount contributed by each contributor, listed alphabetically, shown to have contributed $500.00.

(g) Prepare and publish an annual report with cumulative compilations named in paragraph (f) above;

(h) Distribute upon request, for a nominal fee, copies of all summaries and reports;

(i) Ascertain whether candidates, committees or others have failed to file reports or have filed defective reports, give notice to delinquents to correct or explain defections, make available for public inspection a list of such delinquents;

(j) Hold public hearings, investigate any violations in reporting, and issue subpoenas for the production of documents and the attendance of witnesses.

(3) Promptly after the final date for filing statements and reports the registry shall notify all persons who have become delinquent in filing the same, and shall make available a list of such delinquents for public inspection. The registry shall also report to the Attorney General and the Commonwealth's Attorneys such list.

Section 4. Section 123.065 of the Kentucky Revised Statutes is amended to read as follows:

(1) No contribution of money or other thing of value, nor obligation therefor, shall be made or received, and no expenditure of money or other thing of value, shall be made or incurred, directly or indirectly, to support or defeat a candidate in an election, except through the duly appointed campaign manager, [treasurer] or [deputy] campaign treasurer of the candidate or registered committee. [It shall be lawful, however, for any person to expend from his own funds a sum which shall not exceed $100.00, and for any person to contribute his own personal services and personal traveling expenses to support or defeat a candidate, said sum not to be reported.]

(2) The solicitation from and contributions by candidates and party executive committees to any religious, charitable, civic, eleemosynary or other causes or organizations established primarily for the public good is expressly prohibited; provided that it shall not be construed as a violation of this section for a candidate to continue regular personal contributions to religious, civic or charitable groups of which he is a member or to which he has been a regular contributor for more than six months.

[(3) No candidate or party executive committee, or person or organization on behalf of such candidates or committee, shall expend any moneys or give anything of value for advertising in any publication or newspaper not qualified for legal advertising as provided by law, unless the publication or newspaper has been published at least once per month for not less than a period of three years prior thereto, and has a circulation of at least one thousand; provided, further, that no such political advertising shall be done in any club or association bulletin, program, news sheet, magazine, pamphlet or hand bill or any publication of a special interest group.]

[(4) Any anonymous contribution in excess of $100.00 received by a campaign treasurer or committee shall not be used or expended, but shall be returned to the donor, if his identity is known, and if no donor is found, the contribution shall escheat to the state.]

Section 5. Section 123.071 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each candidate shall designate a campaign treasurer at the time and with the office he files as a candidate on a duplicate form prescribed and furnished by the registry and until this requirement is met his qualifications as a candidate shall not be complete and his filing papers shall not be accepted by the office with which he is required to file. The candidate may appoint himself or any registered voter in Kentucky as his campaign treasurer. The office with which the candidate is required to file shall immediately forward to the registry the duplicate copy of the completed form designating the candidate's campaign treasurer and shall attach the original to the candidate's filing papers. The office with which the candidate files shall promptly notify the registry when a candidate withdraws.

[(1) Each candidate in an election shall appoint one campaign treasurer and shall designate a campaign depository on or before the date of public announcement of his candidacy or on the date he files as a candidate, whichever is sooner. The candidate may appoint himself or any other registered voter in Kentucky as his campaign treasurer and may designate any bank authorized by law to transact business in Kentucky as his cam-

paign depository. The candidate shall file the name and address of the campaign treasurer and the campaign depository with the registry, and his qualification shall not be complete until he has met this requirement.]

[(2) A candidate may appoint deputy campaign treasurers and may designate one additional campaign depository in each county in which the campaign is conducted. The candidate shall file the names and addresses of the deputy campaign treasurers and additional campaign depositories with the registry.]

(2) [(3)] A candidate may remove a campaign treasurer [or deputy campaign treasurer] at any time.

(3) [(4)] In case of the death, resignation or removal of a campaign treasurer the candidate shall within three days after receiving notice thereof by certified or registered mail appoint a successor and shall file his name and address with the registry. The candidate shall be disqualified if he fails to meet this filing requirement.

(4) [(5)] A person may serve as campaign treasurer [or deputy campaign treasurer] for more than one candidate, but all reports must be made separately for each individual candidate.

(5) [(6)] The candidate may pay a campaign treasurer [and his deputy campaign treasurers] a salary for *his* [their] services which shall be considered a campaign expense and must comply with the reporting provisions of KRS 123.005 *and* [,] 123.051 to 123.101 [and 123.991] and those *adopted* [developed] by the registry.

Section 6. Section 123.075 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each committee organized, in whole or in part, for the purpose of furthering a political candidacy, shall register with the registry, by filing official notice of intention at the time of organization, giving names and addresses and positions of the officers of the organization and designating the candidate or candidates it is organized to support on forms prescribed by the registry.

(2) All provisions of KRS 123.005 *and* [,] 123.051 to

123.101 [and 123.991] governing the duties and responsibilities of a candidate or campaign treasurer shall apply to a registered committee.

Section 7. Section 123.086 of the Kentucky Revised Statutes is amended to read as follows:

(1) State and county executive committees shall make a full report, upon a prescribed form, to the registry, of all money, loans or other things of value, received from any source since the date of the last report, including the name and address of each person or group contributing more than $500, the amount contributed by each and the date of the contribution, and a complete statement of all expenditures authorized, incurred, or made. The complete statement of expenditures shall include the name and address of each person to whom an expenditure is made in excess of $50.00, and the amount, date and purpose of each expenditure. This report shall be made to the registry within thirty days after the regular primary and general elections.

(2) Each campaign treasurer of a candidate or campaign committee shall make a full report, upon a prescribed form, to the registry, of all money, loans or other things of value, received by him from any source, since the date of the last report, including the name and address of each person or group contributing more than $500, the amount contributed by each and the date of the contribution, and a complete statement of all expenditures authorized, incurred, or made. The complete statement of expenditures shall include the name and address of each person to whom an expenditure is made in excess of $50.00, and the amount, date and purpose of each expenditure.

(a) Reports of candidates for the Congress of the United States, all statewide offices, Judge of the Court of Appeals, Circuit Judge, Commonwealth's Attorney, Circuit Court Clerk, and the Kentucky General Assembly and their campaign committees shall be made:

1. On the thirtieth day preceding an election, including all previous contributions and expenditures.

2. On the tenth day preceding the date of the election.

3. Within thirty days after the election.

(b) Reports of candidates for other offices covered under KRS 123.051 and their campaign committees shall be made:

1. On the tenth day preceding the election.

2. Within thirty days after the election.

[(1) During the period between the date of appointment of the campaign treasurer and the election, each candidate shall report to his campaign treasurer on Monday of each third week, upon a form prescribed by the registry, all expenditures made, incurred or authorized by the candidate for travel expenses during the preceding period up to and including the previous Friday.]

[(2) Reports shall be made as follows:]

[(a) State and county executive committees shall make a full report, upon a prescribed form, to the registry, of all money, loans, or other things of value, received from any source since the date of the last report, including the name and address of each person or group contributing more than $500, the amount contributed by each and the date of the contribution;]

[1. Quarterly as of March 31, June 30, September 30, December 31, and within ten days of these closing dates, and]

[2. The final report during the campaign, containing all contributions received since the last report, shall be made as of the seventh day preceding the date of the primary or general election and shall be filed no later than noon of the fifth day preceding said election. The final report shall be filed thirty days after the election.]

[(b) Each campaign treasurer shall make a full report, upon a prescribed form, to the registry, of all money, loans, or other things of value, received by him or any deputy campaign treasurer from any source, since the date of the last report, including the name and addresses of each person or group contributing more than $500, the amount contributed by each and the date of the contribution,]

[1. Within seven days after his appointment, and]

[2. On the 4th Monday preceding a primary or general election, as of the preceding Friday,]

[3. The final report during the campaign, containing all contributions received since the last report, shall be made as of the seventh day preceding the date of the primary or general election and shall be filed no later than noon of the fifth day preceding said election. The final report shall be filed fifteen days after the election.]

[(c) Subsection (2) (b) 1. does not apply to state and county executive committees.]

(3) [(d)] In making the preceding reports, proceeds from the sale of tickets for events such as dinners, luncheons, rallies and similar fund raising events, mass collections made at such events, and sales of items such as campaign pins, buttons, hats, ties, literature and similar materials, the total gross receipts from each category shall be listed. *Such sales to any individual, corporation, organization or association exceeding $500 shall be reported, including the date of purchase, the name and address of the purchaser and the amount purchased.* [The operational costs of the headquarters of a State Central Committee not directly related to an election need not be reported.]

[(e) The foregoing reports shall contain a complete statement of all expenditures authorized, incurred, or made, by the person or committee submitting the report.]

(4) [(3)] All reports required by KRS 123.005 *and* [,] 123.051 to 123.101 [and 123.991] shall be open to the public for inspection.

(5) [(4)] If a candidate is unopposed in a primary or *general* election after the time prescribed by law for qualifying for nomination or election to the office, then his obligation to file the reports required by KRS 123.005 *and* [,] 123.051 to 123.101 [and 123.991] shall cease, but he may continue to file such reports voluntarily if he so chooses. *A candidate is considered unopposed if no opposing candidate is to be listed on the official ballot.* A candidate who is opposed but receives no contribution or makes no expenditures shall so report on the dates designated in *this section* [subsection (2) (b) 2.], and file all reports required by KRS 123.005 *and* [,] 123.051 to 123.101 [and 123.991].

Section 8. Section 123.095 of the Kentucky Revised Statutes is amended to read as follows:

(1) All newspaper or magazine advertising, posters, circulars, billboards, handbills, sample ballots and paid-for television or radio announcements with reference to or intended for, the support or defeat of a candidate or group of candidates for nomination or election to any public office shall be identified by the words "paid for by" followed by the name and address of the payer, or the committee, organization or association and its treasurer, on whose behalf the communication appears. For television and radio broadcasts, compliance with Federal Communications Commission regulations regarding sponsored programs and broadcasts by candidate for public office shall be considered compliance with this section.

(2) The management of newspapers and magazines shall keep a one year record of all statements, articles, or advertisements referred to in subsection (1) of this section, that appear in their publications, however, nothing in subsection (1) of this section shall be construed to require editors or editorial writers of newspapers and magazines to identify themselves in the manner therein required with any article or editorial written by them as part of their duties as an employe or employer.

[(1) No contributions of money or other thing of value, nor obligation therefor, shall be made, and no expenditure of money or other thing of value, nor obligation therefor, shall be made or incurred in excess of $100.00, directly or indirectly, anonymously, in a fictitious name, or by a person or group in the name of another, to support or defeat a candidate in an election.]

[(2) All advertisements, billboards, handbills, paid-for television and radio announcements and other communications intended to support or defeat a candidate shall be signed or identified by the words "paid for by" followed by the name and address of the committee and the treasurer on whose behalf the communication appears. For television and radio broadcasts compliance with Federal Communications Commission regulations regarding sponsored programs and broadcasts by candidates for public office shall be considered compliance with this subsection.]

Section 9. Section 123.101 of the Kentucky Revised Statutes is amended to read as follows:

The registry is required by KRS 123.005 *and* [,] 123.051 to 123.101 [and 123.991] to securely keep all reports filed for *two* [ten] years. Duly certified reports shall be admissible as evidence in any state court.

Section 10. Section 123.991 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates a provision of KRS 123.005 or 123.051 to 123.101 is guilty of a misdemeanor and shall be punishable by a fine not exceeding $1,000 or by imprisonment for not more than one year, or both. Violations shall include but shall not be limited to any of the following acts or omissions;

(a) Failure to make required reports or to file reports at times specified;

(b) Making any false statement or report;

(c) Giving money under a fictitious name;

(d) Making any communication to support or defeat a candidate without identification of sponsorship.

(2) The nomination for, or election to, an office of any candidate who violates any provision of KRS 123.005 or 123.051 to 123.101, or whose campaign treasurer [or any deputy campaign treasurer] violates a provision of KRS 123.005 or 123.051 to 123.101, with such candidate's knowledge, shall be void, and the office or candidacy shall be filled as provided by law for the filling of a vacancy. *An action to declare a vacancy under this subsection may be brought by the Registry or any candidate for the office sought to be declared vacant.*

(3) The Attorney General, Commonwealth's Attorney or the Registry may sue for injunctive relief to compel compliance with the provisions of KRS 123.005, 123.051 to 123.101.

[(3) Promptly after the final date for filing statements and reports the Registry shall notify all persons who have become delinquent in filing the same, including contributors, and shall make available a list of such delinquents for public inspection. The registry shall also report to the Attorney General and the Commonwealth attorneys such list.]

[(4) Any registered voter may sue for injunctive relief

to compel compliance with the provisions of KRS 123.005 or 123.051 to 123.101.]

(4) [(5) Prosecution for violation of any provisions of KRS 123.005 to 123.051 to 123.101, shall not be commenced after one year has elapsed from the date of the violation.]

Section 11. Sections 123.081, 123.091, 123.130, and 123.992 of the Kentucky Revised Statutes are repealed.

The Committee on Health and Welfare reported **HB 429**, **HB 447** with Committee Amendments attached thereto, and **HB 436** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 429, AN ACT relating to the Public Assistance Program of the State of Kentucky.

WHEREAS, it is the policy of the State of Kentucky to furnish assistance to citizens who cannot meet their needs by their own efforts, and

WHEREAS, it is the policy of the State of Kentucky to assist its citizens in realizing the full potential of their abilities, and

WHEREAS, it is the policy of the State of Kentucky to make the most effective use of all the resources of the State, both public and private,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act may be cited as the Welfare Reform Act of 1970.

Section 2. There is hereby created a new section of the Kentucky Revised Statutes to read as follows:

There is hereby created in the Bureau of Public Assistance of the Department of Economic Security an office for the coordination of Community Resources for Employment and Training Efforts in each county to be known as the CREATE office.

It shall be the duty of this office to assist citizens of each county in forming local groups to assist in the training, facilitation of employment, and employment of public assistance recipients.

Section 3. Section 205.175 of the Kentucky Revised Statutes is amended to read as follows:

Confidential treatment of information and records; persons to whom furnished. All letters, reports, communications, and other matters, written or oral, to the *Bureau* [division] or any of its agents, representatives, or employees, or to any board or official functioning under *Chapter 205 of the Kentucky Revised Statutes* [KRS 205.160 to 205.250, 205.290 and 205.310], which have been written, sent or made in connection with the requirements and administration of the *Bureau* [division] shall be absolutely privileged and shall not be the subject matter or basis for any suit for slander or libel in any court but no person testifying before the commissioner or his duly authorized representative shall be exempt from punishment for perjury.

(a) Information obtained shall not be published or be open for public inspection except that necessary information and records may be furnished to:

(1) Public employes in the performance of their duties in connection with the administration of the public assistance program;

(2) All law enforcement agencies including county attorneys, Commonwealth attorneys, county and circuit court judges and grand juries in discovering and prosecuting cases involving fraud;

[(3) County Social Service Advisory Committees established for the purpose of advising the Commissioner of Economic Security;]

[(4)] (3) Duly elected members of the General Assembly of the Commonwealth of Kentucky and the Congress of the United States in connection with their duties as members of such legislative bodies, but such information shall be limited to cases of individual constituents of the legislator, who have requested information regarding their application or grant, as specified in the inquiry by such legislator; and

[(5)] *(4)* Any interested party at a hearing before the commissioner or his duly authorized representative to the extent necessary for the proper presentation of his case; provided, that any names or information obtained through access to such records shall not be used for any commercial or political purposes.

(b) Information regarding a public assistance applicant or recipient may also be released, in the discretion of the commissioner or those he may designate, to such individuals or agencies as meet the requirements of regulations promulgated by the Commissioner and who are supplying or cooperating in securing services, employment or training for the applicant or recipient of Public Assistance.

Section 4. Section 205.200 of the Kentucky Revised Statutes is amended to read as follows:

Eligibility for public assistance.

(1) A needy aged person, a needy blind person, a needy child, a needy permanently and totally disabled person, or a person with whom a needy child lives shall be eligible to receive a public assistance grant only if he has made a proper application or an application has been made on his behalf in the manner and form prescribed by regulation. No individual shall be eligible to receive public assistance under more than one category of public assistance for the same period of time.

(2) The commissioner shall, by regulations, prescribe the conditions of eligibility for public assistance in conformity with the public assistance titles of the Social Security Act, its amendments and other federal acts and regulations in regard to an individual who is:

(a) an inmate of a public institution;

(b) a patient in an institution for tuberculosis or mental diseases;

(c) a patient who has been diagnosed as having tuberculosis or psychosis and is a patient in a medical institution.

(3) The commissioner may by regulation prescribe as a condition of eligibility that a needy child regularly attend school, and may further by regulation prescribe the degree of relation-

ship of the person or persons in whose home such needy child must reside.

[(4) No child born out of wedlock shall be eligible under KRS 205.160 to 205.250, 205.290 and 205.310 as a needy child until after a paternity proceeding involving the child has been initiated. The requirement of this subsection may be waived as prescribed by regulation if a paternity proceeding cannot be had or would be futile, or would not be to the best interest of such child or its mother or contrary to the public interest.]

(4) No assistance under this chapter shall be paid on behalf of a child born out of wedlock until after a paternity proceeding involving the child has been commenced. No assistance under this chapter shall be paid on behalf of a child because of desertion until after an action for support has been commenced against the deserting parent.

(5) Public assistance shall not be payable to or in behalf of any individual who has taken any legal action in his own behalf or in the behalf of others with the intent and purpose of creating eligibility for such assistance.

(6) The bureau shall promptly notify the appropriate law enforcement officials of the furnishing of aid to dependent children in respect to a child who has been deserted or abandoned by a parent.

(7) A needy aged person, a needy blind person, a needy child or a needy permanently and totally disabled person shall not be eligible to receive a public assistance grant unless he is a resident of this state at the time of receiving aid[, and has been a resident of this state for such period of time prior thereto as is prescribed by regulation].

(8) No person shall be eligible for public assistance payments if, after having been determined to be potentially responsible, and afforded notice and opportunity for hearing, he refuses without good cause

(a) to register for employment with the state employment service,

(b) to accept suitable training, or

(c) to accept suitable employment.

The Commissioner may prescribe by regulation standards of suitability for training and employment.

Section 5. Section 205.210 of the Kentucky Revised Statutes is amended to read as follows:

Amount of assistance; proration in case of deficiency; what constitutes resources.

(1) The amount of public assistance to be granted shall be determined with due regard to the needs and resources of the individual and family as prescribed by regulation, provided, that if available funds during a budgetary period are insufficient to meet the full needs of the recipients in all or any of the categories of public assistance, the funds available shall be reasonably prorated to recipients in such categories according to pending and anticipated applications during such budgetary period.

(2) Notwithstanding any other provisions of law to the contrary, resources in any given case shall be deemed to include among other things:

(a) The income and any property belonging to any applicant or recipient; except the exemptions of the kind and the amount of income prescribed by regulations within the scope of the public assistance titles of the Social Security Act, its amendments and other federal acts and regulations;

(b) The income and any property of the spouse living with any needy aged, needy blind or needy permanently and totally disabled person;

(c) Such income and resources as may be available to applicants or recipients from persons legally liable for their support.

(3) The value of any property voluntarily transferred by any applicant or recipient or the spouse living with any applicant or recipient for the purpose of establishing eligibility for public assistance shall be deemed a resource of such applicant or recipient under this section.

(4) The amount of assistance granted shall not be reduced because of the earnings of persons receiving public assistance to the extent that such earnings (exclusive of expenses prescribed by regulations) do not exceed the difference between the stand-

ard of need; as prescribed by the Commissioner, and the amount of assistance paid plus the amount of unearned income available to such persons. Assistance shall also not be reduced on account of such proportion of such additional earnings as the Commissioner may prescribe.

Section 6. Section 205.010 of the Kentucky Revised Statutes is amended to read as follows:

Definitions for KRS 205.160 to KRS 205.310. As used in KRS 205.160 to 205.310, unless the context requires otherwise:

(1) "Department" means the Department of Economic Security;

(2) "Commissioner" means the Commissioner of Economic Security or his authorized representative;

(3) "Bureau" means the Bureau of Public Assistance in the Department of Economic Security;

(4) "Public Assistance" means money grants, assistance in kind or services to or for the benefit of needy aged, needy blind, needy permanently and totally disabled persons, needy children or persons with whom a needy child lives or a family containing a combination of these categories;

(5) "Needy child" means a child who has been deprived of parental support by reasons prescribed by regulations within the scope of Title IV of the Social Security Act, its amendments and federal regulations and who does not have otherwise provided for him a subsistence compatible with decency and health;

(6) "Parent", in addition to natural or adoptive parent, shall include step-parent; [and persons unrelated by marriage but maintaining an established family relationship]

(7) "Needy aged" means a person who has attained the age of sixty-five and who is unable to provide for himself and who does not have otherwise provided for him a subsistence compatible with decency and health;

(8) "Needy blind" means a person who has no vision or whose vision is so defective as to prevent the performance of ordinary activities for which eyesight is essential and who is

unable to provide for himself and who does not have otherwise provided for him a subsistence compatible with decency and health;

(9) "Person with whom a needy child lives" means the individual prescribed by regulation, with whom such child is living in a place of residence maintained by such individual by himself or together with one or more other persons;

(10) "Needy permanently and totally disabled" means a person eighteen years of age or older and who has a permanent physical or mental impairment, disease or loss that substantially precludes him from engaging in useful occupations within his competence and who is unable to provide for himself and who does not have otherwise provided for him a subsistence compatible with decency and health;

(11) "Private institution" means any establishment or place other than a public institution operated or maintained by any individual, association, corporation or other organization which provides a group living arrangement for four or more individuals, who are cared for and maintained in residence for compensation or otherwise;

(12) "Public institution" means any establishment or place which is the responsibility of and administered by the state or any political subdivision thereof providing a group living arrangement in which one or more individuals are cared for and maintained in residence;

(13) "Public medical institution" means any public institution the primary purpose of which is to furnish hospital care and medical treatment.

(14) "Person determined to be potentially responsible" means any person who:

(a) is not aged, blind, disabled, incapacitated, or needed in the home

(1) because of the illness or incapacity of a member of the family, or

(2) because of children in the home under the age of 6, or

(b) volunteers for such determination.

HB 447, AN ACT relating to coal mine safety.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 352 of the Kentucky Revised Statutes is created to read as follows:

(1) Every owner or operator of a mine which employes 100 or more workers shall have, on the premises, a vehicle which is suitable for transportation of sick or injured miners or other workers to a hospital or other medical facility.

(2) "Suitable vehicle" shall include an ambulance, station wagon, enclosed truck or van with suitable space for transportation of a victim in the supine position upon a stretcher, litter, or cot.

(3) Said vehicle shall be equipped with a stretcher, litter or ambulance cot, and a first aid kit of the type approved by the U. S. Bureau of mines. The vehicle shall be maintained in proper operating condition at all times.

(4) Any owner or operator of a mine who violates the provisions of this Act shall be fined not less than $50 nor more than $1,000. Each day of failure to provide such a vehicle equipped in the manner specified shall be deemed a separate offense.

(5) The Department of Mines and Minerals shall, on or before the effective date of this Act, notify all mine owners or operators coming within the purview of this Act of the requirements set forth in the Act. All owners or operators of mines covered by this Act shall have 120 days from the effective date of the Act with which to comply with its provisions. Failure of the department to give the notice required herein shall not affect liability hereunder.

The Committee Amendment No. 1 to **HB 447** is as follows:

Amend printed copy of House Bill 447 on page 1, line 4, by: deleting "100" and inserting in lieu thereof "50"

The Committee Amendment No. 2 to **HB 447** is as follows:

Amend printed copy of House Bill 447 on page 1, line 12, by: inserting after the word "cot" a comma "," and the words "resuscitator"

HB 436, AN ACT relating to public assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 205.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) The amount of public assistance to be granted shall be determined with due regard to the needs and resources of the individual and family as prescribed by regulation, provided, that if available funds during a budgetary period are insufficient to meet the full needs of the recipients in all or any of the categories of public assistance, the funds available shall be reasonably prorated to recipients in such categories according to pending and anticipated applications during such budgetary period.

(2) Notwithstanding any other provisions of the law to the contrary, resources in any given case shall be deemed to include among other things:

(a) The income and any property belonging to any applicant or recipient; except the exemptions of the kind and the amount of income prescribed by regulations within the scope of the public assistance titles of the Social Security Act, its amendments and other federal acts and regulations;

(b) The income and any property of the spouse living with any needy aged, needy blind, or needy permanently and totally disabled person;

(c) Such income and resources as may be available to applicants or recipients from persons legally liable for their support.

(3) The value of any property voluntarily transferred by any applicant or recipient or the spouse living with any applicant or recipient for the purpose of establishing eligibility for public assistance shall be deemed a resource of such applicant or recipient under this section.

(4) The amount of public assistance payments shall not be reduced because of any increase in social security benefits which may be granted at any time after the effective date of this Act.

The Committee on Appropriations and Revenue reported

HB 64, with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

The Committee Amendment to **HB 64** is as follows:

Amend printed copy of House Bill 64 on pages 4 & 5, lines 26 through 28 and 1 and 2 respectively, by striking those lines and substituting therefor the following:

"Section 10. There is appropriated from the General Expenditure Fund for the purpose of carrying out the provisions of this Act the sums of $5,000 for the fiscal year 1970-71 and $5,000 for the fiscal year 1971-72. Any balance unexpended at the end of the first fiscal year shall not lapse but carry forward to the second fiscal year."

The Committee on Appropriations and Revenue reported **HB 528** with Committee Amendment attached thereto, **HB 315, HB 347** with Committee Substitute attached thereto, **HB 339, HB 498, HB 442** with Committee Amendment attached thereto, and **HB 328** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 528, AN ACT relating to fire prevention districts and volunteer fire prevention districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 75.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) A petition for the establishment of a fire protection district or a volunteer fire department district signed by at least fifty-one percent of the voters, as determined by the registration books covering the territory, and living within the boundary of the proposed fire protection district or volunteer fire department district may be filed in the circuit court clerk's office of the county in which the greater part of the territory is located, not less than twenty days before the commencement of the next regular term of court, and in courts of continuous sessions not

less than twenty days before the first day of the next calendar month. The petition shall set out the metes and bounds of the proposed fire protection district or volunteer fire department district, the number of voters thereof, and other facts thought proper. Notice of the filing of the petition and the object thereof shall be given by publication pursuant to KRS Ch. 424, and by notices posted for at least ten days before the commencement of the court, one at the courthouse door, and three others at public places within the bounds of the proposed fire protection district or volunteer fire department district. On the second day of the term, and in courts of continuous session on the day provided for in the notice, the court shall, if the proper notice has been given and publication made, and no written objection, remonstrance or defense is interposed, enter a judgment establishing a fire protection district or a volunteer fire department district in accordance with the prayer of the petition, naming it, and describing the boundary thereof by metes and bounds. Defense, objection or remonstrance may be made to the petition by any inhabitant of the proposed fire protection district or a volunteer fire department district, or any person owning property therein, and if defense, objection or remonstrance is made, the court shall hear and determine the same, and render a judgment establishing, or refusing to establish the fire protection district or volunteer fire department district as may seem proper. The pleadings and practice as herein provided shall be the same as in equity cases, as nearly as may be practicable, with right of appeal to the Court of Appeals in accordance with the Rules of Civil Procedure. The appeal shall be advanced upon the docket.

(2) In no event shall any fire protection district or any volunteer fire department district include within its metes and bounds any territory at that time or thereafter included in any city of this Commonwealth which maintains a "regular fire department," and which city has paid its proportionate share of the indebtedness incurred while such territory was a part of that district.

(3) Any county fire protection district organized under the former provisions of KRS 75.025, shall be governed and be operated under the provisions of this section.

Section 2. Section 75.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The territorial limits of an established fire protection district, or a volunteer fire department district, as established under KRS 75.010 to 75.080, may be enlarged or diminished in the following way: The trustees of the fire protection district or of the volunteer fire department districts shall file a petition in the circuit court clerk's office of the county in which that district and the territory to be annexed or stricken off, or the greater part thereof, is located, not less than thirty days before the next regular term of said court and in courts of continuous session not less than thirty days before the first day of a succeeding calendar month, describing the territory to be annexed or stricken and setting out the reasons therefor. Notice of the filing of such petition shall be given by publication and posting in the same manner as provided for in KRS 75.010. On the second day of the term, and in courts of continuous session on the day fixed in the notice, the court shall, if the proper notice has been given, and the publication made, and no written defense, objection or remonstrance is interposed enter a judgment annexing or striking off the territory described in the petition. Fifty-one percent or more of the freeholders of the territory sought to be annexed or stricken off may, at any time before the next regular term of said court, and courts of continuous session at any time before the date fixed in the notice, remonstrate in writing, filed in the clerk's office, to the action proposed. If such written remonstrance be filed said clerk shall promptly give notice to the trustees of the fire protection district, or of the volunteer fire department district, and the court shall promptly set the case for a hearing. If upon such hearing, the court finds *that more than fifty-one percent of the freeholders of the territory to be annexed or stricken off have remonstrated, the petition shall be denied.* [from the evidence that a failure to annex or strike off such territory will materially retard the functioning of the fire protection district or the volunteer fire department district and materially affect adversely the owners and the inhabitants of the territory sought to be annexed or stricken off, it shall enter a judgment, granting the annexation or striking off the territory] In *that* [the latter] event, no new petition to annex or strike off all or any part of the same territory shall be entertained for a period of two years.

The pleadings and practice herein provided shall be the same as in equity cases, as nearly as may be practicable, with right of appeal to the Court of Appeals in accordance with the Rules of Civil Procedure. Such appeal shall be advanced upon the docket..

Section 3. Section 75.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon the creation of a fire protection district or a volunteer fire prevention district as provided in KRS 75.010 to 75.031 the trustees of such district are hereby authorized to establish and operate a fire department in such district and *to recommend that the fiscal court* [to] levy a tax upon the *tangible personal property and structural improvements to real* property in said district, including that property within cities in a fire protection district or a volunteer fire department district, as provided by KRS 75.010(2) provided that said property is subject to county tax, and *the county fiscal court is authorized to levy a tax therefor* not exceeding ten cents per hundred dollars of valuation as assessed for county taxes, for the purpose of defraying the expenses of such establishment, maintenance and operation of said fire department or to make contracts for fire protection for such districts as provided in KRS 75.050.

(2) The county tax commissioner of the county or counties involved, with the cooperation of the Board of Trustees, shall note on the tax rolls the taxpayers and valuation of the property subject to such assessment. The county clerk shall compute the tax on the regular state and county tax bills in such manner as may be directed by regulation of the Department of Revenue.

(3) Such taxes shall be subject to the same delinquency date, discounts, penalties and interest as are applied to the collection of ad valorem taxes and shall be collected by the sheriff of the county or counties involved and accounted for to the treasurer of the district. The sheriff shall be entitled to a fee of one percent of the amount collected by him.

Section 4. A new section of Chapter 75 of the Kentucky Revised Statutes is created to read as follows:

The existence of a fire protection district or volunteer fire department district may be dissolved by order of the circuit court in which all or the greater part of such district lies. Such order may be petitioned for by the trustees of the district or by one or more resident freeholders of the district. Notice of the filing of the petition shall be given as provided by KRS 75.010 and KRS Ch. 434. Such dissolution shall be ordered if the court finds that fifty-one percent or more of the freeholders of the district demand its dissolution. Any order of dissolution shall provide for the payment and discharge of any indebtedness of the district incurred prior to such order by the levy, assessment and collection of taxes on the benefitted properties of the district and by sale and disposition of the district's property.

Section 5. Section 75.025 of the Kentucky Revised Statutes is repealed.

The Committee Amendment to **HB 528** is as follows:

Amend printed copy of House Bill 528 on page 3, line 16, by: adding after the word "district" the words: *"may, or upon petition that they do so by fifty-one percent or more of the freeholders of the territory sought to be annexed or stricken off,"*

and on page 4, line 1, by adding after the word "interposed" the words: *", or the court finds that fifty-one percent or more of the freeholders of the territory sought to be annexed or stricken off are represented by the petition,"*

HB 315, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 142.010 is amended to read:

(1) The following taxes shall be paid:

(a) A tax of four dollars on each verdict of a petit jury in civil cases in circuit court;

(b) A tax of three dollars and fifty cents on each marriage license;

[(c) A tax of two dollars and fifty cents for each survey consisting of ten acres or less, and of five dollars for each survey

in excess of ten acres, on the filing and registering of a plat and certificate of survey and issuing and recording patent thereon, to consist of one charge which shall be paid before the survey is filed, but not to apply to a survey heretofore filed in the registrar's office;]

(c) [(d)] A tax of one dollar on each power of attorney to convey real or personal property; on each mortgage, financing statement, security agreement or conveyance of real or personal property, and on each lien or conveyance of coal, oil, gas or other mineral right or privilege; except that no tax shall be paid on any chattel mortgage, financing statement or security agreement unless the amount thereof exceeds two hundred dollars. [;]

[(e) A tax of one dollar for issuing a land warrant;

(f) A tax of one dollar for each official certificate with seal of office affixed;

(g) A tax of fifty cents on the seal of a court required by a law to keep a seal, except for the purpose of issuing a license authorized by the state;

(h) A tax of fifty cents for a copy of a plat; for a copy of a course and distances of a patent or survey; and for a copy of an entry or land warrant;

(i) A tax of twenty-five cents for filing a caveat; for filing a copy of a judgment of a court in a case of a caveat, mandamus or other proceeding affecting the land office or the duties of the Secretary of State with respect thereto; and for a copy of an assignment;

(j) A tax of two cents for each twenty words of a copy of a caveat or a copy of any writing not specifically provided for.]

(2) The tax imposed by this section shall be due and payable when the process or instrument is filed or issued [, or copies thereof furnished]. This section shall not be construed to require any tax upon a deed of release of a lien retained in a deed or mortgage.

(3) Taxes collected under this section shall be due and remitted to the Department of Revenue on or before the 15th day of the calendar month following the month in which collected and shall be paid by the department into the General Fund.

Section 2. KRS 142.011 is amended to read:

(1) The following taxes shall be paid:

(a) A tax of five dollars on each original action in the circuit court, commencing with or without original process;

(b) A tax of five dollars on each original action in other courts when the amount in controversy, exclusive of interest and costs, exceeds fifty dollars;

(c) A tax of five dollars on each appeal to the circuit or quarterly court;

(d) A tax of twenty-five dollars on each appeal to the Court of Appeals.

[(1) A tax of five dollars hereby is levied on each original action in the circuit court, commencing with or without original process; on each original action in other courts when the amount in controversy, exclusive of interest and costs, exceeds fifty dollars; on each appeal to the circuit or quarterly court; on each traverse of forcible entry or detainer; and on each proceeding to revive a judgment. A tax of twenty-five dollars is levied on each appeal to the Court of Appeals.]

(2) Taxes collected under this section shall be due and remitted to the Department of Revenue on or before the 15th day of the calendar month following the month in which collected and shall be paid by the department into the General Fund.

[(2) The revenue derived from the taxes imposed by this section shall be paid into the State Treasury and credited to the General Expenditure Fund, for general state purposes.]

Section 3. KRS 142.015 is amended to read:

The county court clerk of each county shall be allowed to retain five percent of the taxes collected and reported and paid by him to the Department of Revenue under KRS 142.010.

[The county court clerk, in each county, shall be allowed five percent commission on the amounts collected for state taxes on legal processes and instruments provided for under KRS 142.010, said five percent commission to be retained by the county clerk on said sums reported to the Department of Finance and paid by the county clerk into the State Treasury.]

Section 4. KRS 47.110 is amended to read:

Twelve and one-half percent of the revenue received from the taxes imposed by paragraphs (b) and *(c)* [(e)] of subsection (1) of KRS 142.010, shall be returned to the county in which the tax was paid and be credited to the general fund of the county.

Section 5. The provisions of this Act shall become effective as of July 1, 1970.

HB 347, AN ACT relating to consumer affairs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be Chapter 367 of the Kentucky Revised Statutes.

Section 2. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) The General Assembly finds that the public health, welfare and interest require a strong and effective consumer protection program to protect the public environment and the interests of both the consumer public and the ethical sellers of goods and services; toward this end, a permanent Citizens Commission on Consumer Protection is created to promote the coordination of various governmental agency services, together with private organizations, and for the purpose of aiding in the development of preventive and remedial consumer protection programs.

(2) This Act may be cited as the Consumer Protection Act.

Section 3. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby created a Citizens Commission on Consumer Protection composed of the Attorney General, five citizen members who shall be appointed by the Legislative Research Commission and three citizen members who shall be appointed by the Governor.

(2) The citizen members of the first Commission to be pointed by the Legislative Research Commission and the Gov-

ernor shall be appointed within sixty days after July 1, 1970. Of the members first appointed by the Legislative Research Commission, one shall serve until January 1, 1971, one shall serve until January 1, 1972, one shall serve until January 1, 1973, and two shall serve until January 1, 1974. Of the members first appointed by the Governor, one shall serve until January 1, 1971, one shall serve until January 1, 1972, and one shall serve until January 1, 1973. Thereafter, each term of citizen members shall run for four years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy prior to the expiration of such a term shall be appointed for the remainder of the term. Each citizen member of the Commission shall hold office until his successor is appointed and qualifies. Vacancies in office of citizen members shall be filled by the original appointing authority.

(3) As used in this Act, "citizen member" means any resident of Kentucky not an employe or officer of the Commonwealth, except faculty and staff members of schools in Kentucky.

(4) The citizen members of the Commission shall be persons who have demonstrated by their actions an awareness and interest in consumer protection.

Section 4. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) The Citizens Commission on Consumer Protection shall meet at least four times each year at such times and places as shall be designated by its chairman and shall hold such other meetings as shall be called by the Chairman, or upon written request of the majority of the Commission. A majority of the Commission shall constitute a quorum. The members of the Citizens Commission on Consumer Protection shall receive no compensation for their services, but shall receive their reasonable and necessary expenses in connection with the performance of their duties, to be paid out of sums appropriated to the Citizens Commission on Consumer Protection.

(2) The Commission shall elect its chairman, from its membership, who shall serve for one year.

Section 5. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

The Citizens Commission on Consumer Protection shall have the following functions, powers and duties:

(1) to promote the coordination of consumer protection activities of all departments, divisions and branches of state, county and city government, concerned with activities involving consumer interests;

(2) to assist, advise and cooperate with federal, state and local agencies and officials to protect and promote the interests of the consumer public; to advise the Governor, the Attorney General, and the Legislature in all matters concerning consumer affairs;

(3) to conduct investigations, research, studies and analysis of matters affecting health, safety, the human environment, the market place and all other consumer affairs, and take appropriate action; to communicate the view of the consumer to state, county, and city agencies and officials;

(4) to study the operation of all laws, rules, regulations, orders, and state policies affecting consumers and to recommend to the Governor and to the Legislature, new legislation, rules, regulations, orders, and policies in the consumer's interest;

(5) to investigate, for all purposes other than for prosecution, reported or suspected violations of laws, orders, rules, and regulations affecting the consumer public;

(6) to organize and hold conferences on problems affecting consumers; to undertake activities to encourage business, industry, the professions, and others offering goods or services to maintain high standards of honesty, fair business practices, and public responsibility in the production, promotion and sale of consumer goods and services;

(7) to provide a central clearing house of information for all citizens of the Commonwealth by collecting and compiling consumer complaints and inquiries, and forwarding them to appropriate governmental agencies; it shall be the further responsibility of the Commission to maintain records indicating the final disposition by the agency of any matter so referred;

(8) to organize, promote and conduct consumer education programs within the Commonwealth; to cooperate with and establish necessary liaison with consumer organizations;

(9) (a) to appear before any federal, state or local governmental branch, commission, department, rate-making or regulatory body, or agency to represent and be heard on behalf of consumers' interests;

(b) to be made a real party in interest to any action on behalf of consumer interests involving a quasi-judicial or rate-making proceeding of any state or local governmental branch, commission, department, agency or rate-making body;

(10) to perform such other acts as may be incidental to the exercise of the functions, powers and duties set forth in this section, and the purposes of this Act.

Section 6. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) All departments, agencies, officers and employes of the Commonwealth shall fully cooperate with the Commission and its employes in carrying out its functions under this Act.

(2) The Commissioner or the Director duly appointed by the Commission or any employe authorized by the Director shall, for purposes of this Act as stated in Section 2 (1) hereof, have complete and timely access to all records of every agency, division or department of state, county or city government, and of any business, agency, firm, entity, or institution serving the consumer public. Nothing in this section shall be construed to permit the Commission to disclose those matters which by law are required to be kept confidential. The Commission or the Director duly appointed by the Commission or any employe authorized by the Director may, for purposes of this Act, require information on oath of any person touching any matter of consumer interest, and shall have the power to subpoena witnesses and records for such purpose, and otherwise compel the giving of evidence of any matter under investigation. If any person fails or refuses to testify or furnish documentary evidence concerning any matter with respect to which the Director desires information pertaining to consumer interests, the Franklin Circuit Court, on application of the Director, may compel obedience by proceedings for contempt as in the case of disobedience of a subpoena issued from the circuit court or a refusal to testify therein. Every witness so subpoenaed shall receive for his attendance

the fee and mileage provided for witnesses in civil cases in circuit court, which shall be audited and paid upon the presentation of proper vouchers sworn to by the witness and approved by the Commission.

(3) The Legislative Research Commission shall, at the request of the Director of the Citizens Commission on Consumer Protection, do research, prepare research memoranda, draft proposed legislation and perform such other services consistent with that generally provided by the Legislative Research Commission.

Section 7. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) In order to effectuate and administer this Act the Commission shall hire a full-time Director, who shall be qualified by training and experience to perform the duties of his office and carry out the purpose of this Act, and who shall hold office at the pleasure of the Commission. The salary of the Director shall be determined by the Commission. The Director shall, upon the advice and consent of the Commission, employ and fix the compensation of such personnel as may be necessary to effectuate the provisions of this Act.

(2) The Director shall, upon the advice and consent of the Commission, provide for the allocation of the work and activities of all employes of the Commission.

(3) Permanent office space for the Citizens Commission on Consumer Protection and for the Director thereof and employes or subcommittees shall be provided on one of the three main floors of the State Capitol or the State Capitol Annex.

Section 8. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) The Attorney General shall be charged with the enforcement of any and all laws affecting the consumer and the prosecution of all violations of law within his jurisdiction referred to him by the Commission. Whenever it appears that the public interest will be served by doing so, the Attorney General may authorize and direct a Commonwealth Attorney or County Attorney to institute action in his behalf in such matters.

(2) The Attorney General, the Commonwealth's attorneys, and the county attorneys shall cooperate with the Commission and the general public in collecting consumer complaints and other information regarding.

Section 9. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

There is hereby appropriated from the General Expenditure Fund to the Citizens Commission on Consumer Protection for the fiscal year 1970-71 the sum of $75,000, and for the fiscal year 1971-72 the sum of $90,000 which sums shall not revert to the General Fund at the end of the fiscal years but shall be carried forward.

Committee Substitute, HB 347, AN ACT relating to consumer affairs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be Chapter 367 of the Kentucky Revised Statutes.

Section 2. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) The General Assembly finds that the public health, welfare and interest require a strong and effective consumer protection program to protect the public environment and the interests of both the consumer public and the ethical sellers of goods and services; toward this end, a permanent Citizens Commission on Consumer Protection is created to promote the coordination of various governmental agency services, together with private organizations, and for the purpose of aiding in the development of preventive and remedial consumer protection programs.

(2) This Act may be cited as the Consumer Protection Act.

Section 3. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby created a Citizens Commission on Consumer Protection composed of the Attorney General, and eight citizen members who shall be appointed by the Governor.

(2) The citizen members of the first Commission to be appointed by the Governor shall be appointed within sixty days after July 1, 1970. Of the members first appointed two shall serve until January 1, 1971, two shall serve until January 1, 1972, two shall serve until January 1, 1973, and two shall serve until January 1, 1974. The terms of the members first appointed shall be determined by lot. Thereafter, each term of citizen members shall run for four years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy prior to the expiration of such a term shall be appointed for the remainder of the term. Each citizen member of the Commission shall hold office until his successor is appointed and qualifies. Vacancies in office of citizen members shall be filed by the original appointing authority.

(3) As used in this Act, "citizen member" means any resident of Kentucky not an employe or officer of the Commonwealth, except faculty and staff members of schools in Kentucky.

(4) The citizen members of the Commission shall be persons who have demonstrated by their actions an awareness and interest in consumer protection.

Section 4. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) The Citizens Commission on Consumer Protection shall meet at least four times each year at such times and places as shall be designated by its chairman and shall hold such other meetings as shall be called by the Chairman, or upon written request of the majority of the Commission. A majority of the Commission shall constitute a quorum. The members of the Citizens Commission on Consumer Protection shall receive no compensation for their services, but shall receive their reasonable and necessary expenses in connection with the performance of their duties, to be paid out of sums appropriated to the Citizens Commission on Consumer Protection.

(2) The Commission shall elect its chairman, from its membership, who shall serve for one year.

Section 5. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

The Citizens Commission on Consumer Protection shall have the following functions, powers and duties:

(1) To promote the coordination of consumer protection activities of all departments, divisions and branches of state, county and city government, concerned with activities involving consumer interests;

(2) To assist, advise and cooperate with federal, state and local agencies and officials to protect and promote the interests of the consumer public; to advise the Governor, the Attorney General, and the Legislature in all matters concerning consumer affairs;

(3) To conduct investigations (except for purposes of prosecution), research, studies and analysis of matters affecting health, safety, the human environment, the market place and all other consumer affairs, and take appropriate action; to communicate the view of the consumer to state, county, and city agencies and officials;

(4)To study the operation of all laws, rules, regulations, orders, and state policies affecting consumers and to recommend to the Governor and to the Legislature, new legislation, rules, regulations, orders, and policies in the consumer's interest;

(5) To organize and hold conferences on problems affecting consumers; to undertake activities to encourage business, industry, the professions, and others offering goods or services to maintain high standards of honesty, fair business practices, and public responsibility in the production, promotion and sale of consumer goods and services;

(6) To provide a central clearing house of information for all citizens of the Commonwealth by collecting and compiling consumer complaints and inquiries, and forwarding them to appropriate governmental agencies; it shall be the further responsibility of the Commission to maintain records indicating the final disposition by the agency of any matter so referred;

(7) To organize, promote and conduct consumer education programs within the Commonwealth; to cooperate with and establish necessary liaison with consumer organizations;

(8) (a) To appear before any federal, state or local governmental branch, commission, department, rate-making or regulatory body, or agency to represent and be heard on behalf of consumer's interests;

(b) To be made a real party in interest to any action on behalf of consumer interests involving a quasi-judicial or rate-making proceeding of any state or local governmental branch, commission, department, agency or rate-making body;

(9) To perform such other acts as may be incidental to the exercise of the functions, powers and duties set forth in this section, and the purposes of this Act.

Section 6. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) All departments, agencies, officers and employes of the Commonwealth shall fully cooperate with the Commission and its employes in carrying out its functions under this Act.

(2) Nothing in this Act shall be construed to permit the Commission to disclose those matters which by law are required to be kept confidential.

Section 7. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) In order to effectuate and administer this Act the Commission shall hire a full-time Director who shall be qualified by training and experience to perform the duties of his office and carry out the purpose of this Act, and who shall hold office at the pleasure of the Commission. The salary of the Director shall be determined by the Commission. The Director shall, upon the advice and consent of the Commission, employ and fix the compensation of such personnel as may be necessary to effectuate the provisions of this Act.

(2) The Director shall, upon the advice and consent of the Commission, provide for the allocation of the work and activities of all employes of the Commission.

(3) Permanent office space for the Citizens Commission on Consumer Protection and for the Director thereof and employes or subcommittees shall be provided on one of the three main floors of the State Capitol or the State Capitol Annex.

Section 8. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) The Attorney General shall be charged with the enforcement of any and all laws affecting the consumer and the prosecution of all violations of law within his jurisdiction referred to him by the Commission. Whenever it appears that the public interest will be served by doing so, the Attorney General may authorize and direct a Commonwealth Attorney or County Attorney to institute action in his behalf in such matters.

(2) The Attorney General, the Commonwealth's Attorneys, and the county attorneys shall cooperate with the Commission and the general public in collecting consumer complaints and other information regarding consumer affairs, whether or not violations of present law, and shall forward such information at the direction of the commission.

Section 9. The General Assembly intends and declares that the appropriations made by Subheading 12 of Heading 1 of Part One of the Committee Substitute for House Bill 18 of the 1970 Regular Session, page 7, lines 1 and 2, being $5,000 for each of the fiscal years 1970-71 and 1971-72, shall be used for the purposes of this Act and for no other purpose.

Section 10. There is hereby appropriated from the General Expenditure Fund to the Citizens Commission on Consumer Protection for the fiscal year 1970-71 the sum of $75,000, and for the fiscal year 1971-72 the sum of $90,000 which sums shall not revert to the General Fund at the end of the fiscal years but shall be carried forward.

HB 339, AN ACT appropriating money out of the General Expenditure Fund in the State Treasury for the purpose of paying certain claims which have been duly audited and approved according to law but which have not been paid because of the lapsing or insufficiency of former appropriations against which said claims were chargeable.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is appropriated out of the General Expenditure Fund in the State Treasury for the purpose of compensating persons and companies herein named for claims which have been duly audited and approved according to law but which have not been paid because of lapsing of former appropriations against which said claims were chargeable, the sum hereinafter specified:

Addressograph-Multigraph Corporation 1316 South Broadway Lexington, Kentucky	$ 221.59
Sinclair Oil Corporation 7 Executive Park Drive, N. E. Atlanta, Georgia	2,024.78
Skaggs Clinic Main Street Taylorsville, Kentucky	160.27
Dr. Ollie B. Emerine Elizabethtown, Kentucky	74.00
Mr. J. H. Samples Crystal, Kentucky	833.00
Dr. H. E. Shufflebarger Grayson, Kentucky	15.00
Sinclair Refining Co. 155 West Wacker Drive Chicago, Illinois 60606	36.46
Amstan Supply Division 1601 South Brook Street Louisville, Kentucky 40200	531.06
Central Scientific Company Division of Cinco Instruments Corp. 2600 South Kostner Avenue Chicago, Illinois 60623	2,794.95
Southland Electrical Supply Co., Inc. 329 West Main Street Louisville, Kentucky 40202	683.87

West Publishing Co. St. Paul, Minnesota 55102	68.25
The Sutcliffe Co. 115 South Seventh Street Louisville, Kentucky 40202	237.47
SCM Corporation Box 666 Huntington, West Virginia	232.98
Mrs. Daisie Carter P.O. Box 331 Horse Cave, Kentucky	17.00
Standard Oil Co., Inc. 430 West Bloom Street Louisville, Kentucky 40208	1,112.52
Encyclopedia Britannica Films 1150 Wilmette Avenue Wilmette, Illinois	240.00
Eastern Air Lines, Inc. International Airport Miami, Florida	1,688.38
Sinclair Refining Company 7 Executive Park Drive, N. E. Atlanta, Georgia 30329	399.89
Gordon's, Inc. 1401 Central Parkway Cincinnati, Ohio 45214	69.48
Peerless Auto Supply Co. Prestonsburg, Kentucky	5.70
Thompson Engineering Co. P. O. Box 8038 Lexington, Kentucky	127.39
Standard Oil Company P. O. Box 8038 Louisville, Kentucky 40208	384.90

Prestonsburg Publishing Company The Floyd County Times Prestonsburg, Kentucky	25.46
Mary Louise and Associates 1801 South Michigan Avenue Chicago, Illinois 60616	187.30
Mrs. Herbert House Rural Route 5 London, Kentucky	29.00
Dick Vermillion, Ex-Sheriff Whitley County 309 Steele Street Frankfort, Kentucky	2,727.30
Dr. Carl H. Scott 2130 Nicholasville Road Lexington, Kentucky 40508	260.00
	$15,188.00

Section 2. The persons and companies named above having in good faith furnished the services, supplies, and materials enumerated in Section 1 and the Commonwealth having received the benefits of same an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor.

HB 498, AN ACT relating to the valuation of property for tax purposes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 132.425 of the Kentucky Revised Statutes is amended to read as follows:

[All state and local assessing officials shall maintain a list of all properties which are subject to taxation for school purposes, both real and improvements thereon and tangible personalty, which are added to the tax rolls each year and a list of all such properties which are deleted from the rolls. These lists shall be maintained on the forms and in the manner prescribed

by the Department of Revenue. All state and local assessing officials shall certify to the department no later than the first Monday in May of each year the total amount of additions and deletions.] The *net* difference *in the total valuation of property subject to taxation in the county in the preceding year and the total valuation of property subject to taxation in the county for the current year* [between the additions and deletions] shall be the net assessment growth for purposes of subsection (3) (b) of KRS 160.470 and subsection (2) (b) of KRS 68.245.

HB 442, AN ACT relating to revenue and taxation.

WHEREAS, on November 4, 1969, the voters approved a constitutional amendment providing for the assessment for ad valorem tax purposes of agricultural and horticultural land according to its value for agricultural and horticultural use, and

WHEREAS, as a result of the amendment, the owners of land devoted to agricultural and horticultural use who desire to continue the land in such use shall be entitled to do so without fear of assessment and taxation based upon a greater potential use, and

WHEREAS, the intent of the General Assembly in proposing the amendment and the voters in approving it is to limit the benefits of its provision to bona fide agricultural and horticultural uses of land, and

WHEREAS, the public interest must be protected from an undue shift in the tax burden and an indiscriminate application of the amendment provisions, and

WHEREAS, the integrity of the revenue base of local taxing jurisdictions must be maintained, and

WHEREAS, assessment officials must be provided reasonable and workable guidelines for classification and valuation of agricultural and horticultural land,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 132.010 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Department" means the Department of Revenue.

(2) "Taxpayer" means any person made liable by law to file a return or pay a tax.

(3) "Real property" includes all lands within this state and improvements thereon.

(4) "Personal property" includes every species and character of property, tangible and intangible, other than real property.

(5) "Resident" means any person who has taken up a place of abode within this state with the intention of continuing to abide in this state; any person who has had his actual or habitual place of abode in this state for the larger portion of the twelve months next preceding the date as of which an assessment is due to be made shall be deemed to have intended to become a resident of this state.

(6) "Compensating tax rate" means the rate which, rounded to the next higher one-tenth of one cent per one hundred dollars of assessed value and applied to the 1966 assessment of the property subject to taxation by a taxing district for the 1965 tax year, produces an amount of revenue approximately equal to that produced in 1965.

(7) "Agricultural land" means any tract of land of at least ten contiguous acres in area used for the production of livestock, livestock products, poultry, poultry products and/or the growing of tobacco and/or other crops including timber, or where devoted to and meeting the requirements and qualifications for payments pursuant to agriculture programs under an agreement with the state or federal government, where such activities produced an average gross income including payments under a state or federal program of at least one thousand dollars per year during the two years immediately preceding the tax year or there is evidence of anticipated yearly gross income of this amount. Land devoted exclusively to the growing of merchantable timber is excluded from the gross income provisions.

(8) "Horticultural land" means any tract of land of at least five contiguous acres in area commercially used for the cultiva-

tion of a garden, orchard, or the raising of fruits, vegetables, flowers or ornamental plants, where such activities produced an average gross income of at least one thousand dollars per year during the two years immediately preceding the tax year or there is evidence of anticipated yearly gross income of this amount.

(9) "Agricultural or horticultural value" means representative sales prices of comparable land purchased for agricultural or horticultural use with consideration being given to the purpose of purchase, such as, farm expansion, improved accessibility and other factors unduly influencing the sales price.

(10) "Deferred tax" means the difference in the tax based on agricultural or horticultural value and the tax based on fair cash value.

Section 2. KRS 132.450 is amended to read as follows:

(1) Each property valuation administrator shall assess at its fair cash value all property which it is his duty to assess [.] *except as provided in subsection (2) (h).* In the case of securities which are regularly bought and sold through stock exchanges, the price at which such property closed on the last regular business day preceding the assessment day shall be prima facie evidence of the fair cash value of such property. The property of one person shall not be assessed wilfully or intentionally at a lower or higher relative value than the same class of property of another, and any grossly discriminatory valuation shall be construed as an intentional discrimination. The property valuation administrator shall make every effort, through visits with the taxpayer, personal inspection of the property, from records, from his own knowledge, from information in property schedules, and from such other evidence as he may be able to obtain, to locate, identify, and assess property.

(2) (a) On or before April 1 of each year the owner or owners of land devoted exclusively to agricultural or horticultural use for at least five successive years preceding the tax year and on which the property valuation administrator has placed a value in excess of the agricultural or horticultural value may file application for valuation at the agricultural or horticultural value with the property valuation administrator of the county in which

the land is located, on forms prescribed by the Department of Revenue. In determining the total area of such land, there shall be included the area of all land under farm buildings, greenhouses and like structures, lakes, ponds, streams, irrigation ditches and similar facilities, and garden plots devoted to growth of products for on-farm personal consumption but there shall be excluded, land used in connection with dwelling houses including, but not limited to, lawns, drives, flower gardens, swimming pools or other areas devoted to family recreation. Where contiguous land in agricultural or horticultural use in one ownership is located in more than one county or taxing district, compliance with the minimum requirements shall be determined on the basis of the total area and income of such land and not the area or income of land which is located in the particular county or taxing district.

(b) Land devoted to agricultural or horticultural use, where the owner or owners have petitioned for, and been granted, a zoning classification other than for agricultural or horticultural purposes is excluded from the provisions of subsection (h) of this section.

(c) Real property devoted to agricultural or horticultural use by any corporation other than one organized for agricultural or horticultural purposes is excluded from the provisions of subsection (h) of this section.

(d) When title to land which is valued and taxed according to its use for agricultural or horticultural purposes is conveyed at a price at least twenty-five percent in excess of such value, the sale price shall be prima facie evidence of a change in use.

(e) When the use of a part of a tract of land which is valued and taxed as agricultural or horticultural land is changed either by conveyance or other action of the owner, the right of the remaining land to be retained in the agricultural or horticultural classification for assessment and taxation shall not be impaired provided it meets the minimum requirements for such classification, except that land on which there has been established a systematic pattern of change of use over a period of two years such land is excluded from the provisions of subsection (h) of this section.

(f) The owner or owners of land shall not be liable for

deferred taxes for any year in which the land was not assessed for agricultural or horticultural use under the provisions of subsection (h) of this section.

(g) Where a change in land use occurs in any tax year the owner of such land shall be subject to the deferred tax provisions of Section 3, subsection (1) of this Act for each of the preceding two tax years in which the land was valued and taxed for agricultural or horticultural purposes.

(h) When in the opinion of the property valuation administrator any land on which an application has been filed, has a value in excess of that for agricultural or horticultural use the property valuation administrator shall enter into the tax records the value of the property according to its fair cash value. When the property valuation administrator determines that the land meets the requirements for valuation as agricultural or horticultural land, the valuation for tax purposes shall be its agricultural or horticultural value.

(i) When an application for valuation of property as agricultural or horticultural is denied, the property valuation administrator shall cause written notice to be served on the property owner in the manner provided by subsection (4) of this section. The property owner may appeal such ruling to the county board of supervisors as provided in KRS 133.120 or in the case of a city or special district to the appropriate appeals body for the city or district.

(3) Notwithstanding any statutory provisions to the contrary, the provisions of this Act shall apply to the assessment and taxation of agricultural or horticultural land for state, county, city or special district purposes. Any city may by ordinance establish additional tax procedures which will enable it effectively to administer the provisions of this Act.

(4) [(2)] If the property valuation administrator assesses any property, except stocks and bonds at the market value listed in recognized publications, at a greater value than that listed by the taxpayer or assesses unlisted property, the property valuation administrator shall serve notice on the taxpayer of such action. The notice shall be given by first class mail or as provided in the Kentucky Rules of Civil Procedure.

(5) [(3)] Any taxpayer may designate on the property schedule any property which he does not consider to be subject to taxation, and it shall be the duty of the property valuation administrator to obtain and follow advice from the Department of Revenue relative to the taxability of such property.

Section 3. A new section of Chapter 132 of the Kentucky Revised Statutes is created to read as follows:

(1) When land which is valued and taxed as agricultural or horticultural land is devoted to any other use, that portion of the land upon which the use is changed shall be subject to additional taxes in an amount equal to the difference between taxes paid on the basis of the valuation for such use and the taxes that should have been paid had the land been valued and taxed on the basis of its fair cash value in the current tax year and the immediately preceding two tax years; except that land assessed according to its value for agricultural or horticultural purposes on which the use is changed in 1971 shall be subject to the taxes on the difference between its value for such use and its fair cash value for 1971; and land on which the use is changed in 1972 shall be subject to taxes on the difference for the years 1971 and 1972; such additional taxes to become a lien on the property.

(2) When land becomes subject to the additional taxes provided for in subsection (1) of this section, the property valuation administrator or other assessing official shall certify the difference in value subject to tax for each of the years for which additional taxes are due to the county clerk or other person responsible for preparation of tax bills who shall prepare a supplemental tax bill for each year computed at the rates applicable for the year for delivery to the sheriff or tax collector for collection. Such bills shall be due and payable within thirty days after the date of issue. If unpaid within thirty days, a penalty of six percent shall be added to these bills.

(3) The provisions of Chapter 134 and 135 of the Kentucky Revised Statutes relating to the collection of delinquent taxes on real property shall apply to collection of the deferred taxes provided herein.

Section 4. If any provisions of this Act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Section 5. This Act shall become effective January 1, 1971.

The Committee Amendment to **HB 442** is as follows:

Amend printed copy of House Bill 442 on page 5, line 22, by: inserting the word "*primary*" after the word "organized" and before the word "for".

HB 328, AN ACT relating to administration of estates.

Be it enacted by the General Assembly of the Commonwealth of Kentucky;

Section 1. Section 395.460 of the Kentucky Revised Statutes is amended to read as follows:

(1) The court in its discretion may order that no letters of administration on estates of persons dying *either testate or* intestate need be obtained, if the personal property on hand or in bank does not exceed the amount declared by KRS 391.030 to be exempt from distribution and sale and directed to be set aside by the appraisers to the *surviving spouse* [widow] or to the surviving infant children or to the *surviving spouse* [widow] and the surviving infant children. Proof may be allowed by or on behalf of the infant children or *surviving spouse* [widow] of the value and nature of the estate and, if the court is satisfied that no personal estate will be left after allowing and setting apart the exempted property, it shall order that no letters of administration of the estate be issued, unless on the application of creditors or other parties interested the existence of other personal property is shown.

(2) After the making of such an order and until it is revoked the *surviving spouse* [widow], or, if there is no *surviving spouse* [widow], the guardian of the infant children may collect, sue for and obtain all the property belonging to the estate. The *surviving spouse* [widow] shall settle *his* [her] accounts as though

he [she] had qualified as administrator[ix]. If there is no *surviving spouse* [widow], the guardian shall account for the property in the settlement of his accounts.

(3) If the decedent has died intestate, the court may order that no letters of administration need be obtained, provided the personal property on hand does not exceed the amount of the surviving spouse's exemption and/or the claims as set out in KRS 396.090, or any part thereof. Proof may be allowed by or on behalf of the surviving spouse or the infant children or of the next of kin of the value and nature of the estate and of the preferred debts as above set out, and if the court is satisfied that no personal estate will be left after providing for the surviving spouse's exemption and/or preferred debts or a part thereof, it may order that no letters of administration shall be issued and that such assets be transferred to the person entitled thereto, unless on the application of creditors or other parties interested the existence of other property is shown.

(4) If the decedent has died testate or intestate and the possibility of surviving spouse's exemptions has been eliminated, the court may order that no letters of administration need be obtained provided that the personal property on hand does not exceed the amount of the preferred debts as set out in KRS 396.090 or any part thereof. Proof may be allowed by or on behalf of the surviving spouse or infant children or next of kin of the value and nature of the estate and of the preferred debts as above set out and if the court is satisfied that no personal estate will be left after providing for the preferred debts, or any part thereof, it may order that no letters of administration shall be issued, and that such asset be transferred to the person entitled thereto, unless on the application of creditors or other parties interested the existence of other property is shown.

(5) If decedent has died testate or intestate, survived by a spouse, proof may be allowed by or on behalf of the surviving spouse concerning the nature and value of the estate, and if the value of the decedent's probatable estate does not exceed the sum of $2,500.00, and if the court is satisfied by adequate bond or otherwise that all debts against the estate are fully protected, the court may order that no letters of administration be issued and

that the assets thereof be transferred to the person entitled thereto.

(6) In an estate where decedent dies testate proof may be allowed concerning the nature and amount of such estate, and if the court is satisfied that no probatable estate will pass through the hands of the personal representative, it may order that no letters of administration be issued and that the will be probated only.

Section 2. Section 391.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) Where any person dies intestate as to his personal estate, or any part thereof, the surplus, after payment of funeral expenses, charges of administration and debts, shall pass and be distributed among the same persons, and in the same proportions, to whom and in which real estate is directed to descend, except as follows:

(a) The personal estate of an infant shall be distributed as if he had died after full age.

(b) An alien may be a distributee as though he were a citizen.

(c) Personal property or money on hand or in bank to the amount of *$2500* [$1500] shall be exempt from distribution and sale and shall be set apart by the county court having jurisdiction over the estate on application to *the surviving spouse* [his widow] and infant children, or, if there is no *surviving spouse* [widow], to his infant children surviving him. A like amount of *$2500* [$1500] of property or cash shall be exempt from distribution and sale and shall be set apart on application to the surviving infant children of a widow *or widower* who dies intestate.

(2) The *surviving spouse* [widow] of any deceased person may, at any time before the property or money is set apart by the court, procure on petition from the judge of the county court having jurisdiction over administration of his estate, an order authorizing *him* [her] to withdraw from any bank or other depository not exceeding $500 belonging to the estate of the deceased. Upon presentation of the order, the bank or depository shall permit *him* [her] to withdraw the sum and shall lodge the order, endorsing thereon the amount withdrawn, with the clerk

of the county court, and he shall retain it in his files to be considered in connection with further proceedings in the estate and the withdrawal shall be treated as a charge against the property of the estate exempt from distribution.

(3) In *the* [her] application for the setting apart of property or money under this section the *surviving spouse* [widow] may make *his* [her] selection out of the property of the estate to the extent that the value of the property selected does not exceed the amount of *$2500* [$1500].

(4) This section applies to cases where the husband dies testate and the widow renounces the provisions of the will as provided in KRS 392.080.

The Committee Amendment to **HB 328** is as follows:

Amend printed copy of House Bill 328 on page 3, line 17, by: changing the figure *"$2,500.00"* to *"$1500.00"*

and on page 4, lines 13 and 17-18 by striking the figure *"$2500"* and removing the brackets "[ ]" from around the figure "$1500" in both places

and on page 5, line 10, by striking the figure *"$2500"* and removing the brackets "[ ]" from around the figure "$1500"

The Committee on State Government reported **HR 63, HB 243** and **HB 426** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HJR 63, A JOINT RESOLUTION petitioning the Secretary of Transportation of the United States to redefine the time zone lines affecting Indiana and Kentucky, and requesting and petitioning the Governor of the Commonwealth of Kentucky and each of the members of Kentucky's U. S. Congressional delegation to use their best efforts to accomplish the redefinition of the boundary line between the eastern and central time zones in Indiana and Kentucky by the proper authorities in the federal government.

WHEREAS, by reason of the location of the existing line between the eastern and central time zones, approximately one-half of the Commonwealth of Kentucky is in the eastern time

zone and approximately one-half of the Commonwealth is in the central time zone; and

WHEREAS, the time difference affecting such substantial portions of the Commonwealth is detrimental to the economic and commercial activities of the Commonwealth; and

WHEREAS, a change in the present boundary would benefit the economic and social activities of the people of Indiana and Kentucky by placing all of Indiana and the greater part of Kentucky in one time zone; and

WHEREAS, the western limit of the eastern time zone, should actually be the meridian measuring 82 degrees 30 minutes of longitude, which meridian, geographically speaking, actually runs through the eastern extremity of Floyd County, Kentucky, which is more than two hundred air miles east of the western edge of the present eastern time zone line; and

WHEREAS, the western edge of the present eastern time zone line in Kentucky is approximately two hours and sixteen minutes removed from its longitudinally correct placement during the summer months; and

WHEREAS, in Indiana said line is even worse, being approximately two hours and twenty-two minutes from correct placement; and

WHEREAS, the present location of the boundary line between the Eastern and Central Time Zones leaves Kentuckians battling each other every two years in the legislature, with a victory for either side being only temporary;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Secretary of Transportation of the United States be and he is hereby requested to consider at the earliest possible time the redefinition of time zone limits so as to place the entire State of Indiana and the greater portion of the Commonwealth of Kentucky in the Central Time Zone.

Section 2. That the Governor of Kentucky and each member of Kentucky's U. S. Congressional delegation is hereby

requested and petitioned to use their best efforts to accomplish with the proper authorities of the federal government and at the earliest possible time the redefinition of time zone limits so as to place the entire State of Indiana and all of the Commonwealth of Kentucky in the Central Time Zone, excepting a chain of counties following the eastern boundary of Kentucky generally from the Cincinnati area to the Middlesboro area, with only those counties along the said eastern boundary of Kentucky wherein the majority of the inhabitants desire to be placed in the Eastern Time Zone being so placed.

Section 3. That a copy of this resolution be forwarded to the U. S. Secretary of Transportation, the Governors of Indiana and Kentucky, to Indiana's and Kentucky's U. S. Senators, and to each member of the U. S. House of Representatives representing Indiana and Kentucky.

HB 243, AN ACT relating to the payment of the Commonwealth's obligations after the close of the fiscal year.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 45.230 of the Kentucky Revised Statutes is amended to read as follows:

No state officer or agency shall, after the close of any fiscal year, incur, or vote, order or approve the incurring of, any obligation or expenditure under any appropriation for that fiscal year, and no expenditure shall be made from or charged to any appropriation for any fiscal year that has expired at the time the obligation for the expenditure was incurred. The Department of Finance may, for a period of *two* [three] months after the close of any fiscal year, draw warrants against the available balances of appropriations made for that fiscal year, for the payment of expenditures incurred during that year or in fulfillment of contracts properly made during that year, but for no other purpose. After the expiration of *two* [three] months from the beginning of each fiscal year, all balances of appropriations for the prior fiscal year shall lapse, unless otherwise provided by law, and no further payments shall be made on any claims on account of expenditures of the prior fiscal year.

HB 426, AN ACT relating to the heights of objects above the ground.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS 183.861 to 183.873 is created to read as follows:

In the air space above the ground outside of the areas in which airport zoning jurisdiction has been assumed by the rules and regulations of the Kentucky Airport Zoning Commission, no structure shall be constructed, altered, or changed so that its height exceeds 1,000 feet above the ground, except upon application to and approval from the Kentucky Airport Zoning Commission.

The Committee on Banking and Insurance reported **HB 542, HB 470, HB 434, HB 460** with Committee Amendment attached thereto, **SB 96, SB 114** and **SB 122** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 542, AN ACT relating to authorized investments of fiduciaries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 386.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any fiduciary holding funds for loan or investment may invest them in:

(a) Bonds or other interest-bearing obligations of the federal government;

(b) Bonds, state warrants and other interest-bearing obligations of this state;

(c) Any bonds issued by or for federal land banks and any debentures issued by or for federal intermediate credit banks under the Act of Congress known as the Federal Farm Loan Act, and any amendments thereto, and any debentures issued by or

for banks for cooperatives under the Act of Congress known as the Farm Credit Act of 1933, and any amendments thereto;

(d) Notes and bonds secured by mortgage or trust deed insured by the Federal Housing Administrator, obligations issued or insured by the Federal Housing Administrator, and securities issued by National Mortgage Associations;

(e) Obligations representing loans and advances of credit that are eligible for credit insurance by the Federal Housing Administrator, and the fiduciary may obtain such insurance;

(f) Loans secured by real property or leasehold, that the Federal Housing Administrator insures or makes a commitment to insure, and the fiduciary may obtain such insurance;

(g) Real estate mortgage notes, bonds and other interest-bearing or dividend-paying securities (including securities of any open-end or closed-end management type investment company or investment trust registered under the Federal Investment Company Act of 1940) which would be regarded by prudent businessmen as a safe investment;

(h) Real estate, after obtaining the approval of the county court for such investment; [and]

(i) Life insurance, endowment and annuity contracts issued by legal reserve companies authorized to do business in this state, after obtaining the approval of the county court for such investment. Said fiduciary may select any optional settlement provided in a policy maturing by death or as an endowment [.] ; *and*

(j) Notes, other interest-bearing obligations, and purchases of participations in such instruments, that are guaranteed in whole or in part by the United States of America or by any agency or instrumentality, thereof.

(2) Fiduciaries holding funds for loan or investment may make loans with the securities named in subsection (1) as collateral.

(3) The fiduciary shall account for all interest or profit received.

HB 470, AN ACT relating to negotiable instrument law.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 355.3-305 of the Kentucky Revised Statutes is amended to read as follows:

To the extent that a holder is a holder in due course he takes the instrument free from

(1) all claims to it on the part of any person; and

(2) all defenses of any party to the instrument with whom the holder has not dealt except

(a) infancy, to the extent that it is a defense to a simple contract; and

(b) such other incapacity, or duress, or illegality of the transaction, as renders the obligation of the party a nullity; and

(c) such misrepresentation as has induced the party to sign the instrument with neither knowledge nor reasonable opportunity to obtain knowledge of its character or its essential terms; and

(d) discharge in insolvency proceedings; and

(e) any other discharge of which the holder has notice when he takes the instrument [.]*; and*

(f) breach of warranty; and

(g) failure to deliver any goods and services, a promise to deliver which formed all or part of the consideration for the instrument in question; and

(h) fraud.

Section 2. A new section of Chapter 355 of the Kentucky Revised Statutes is created to read as follows:

Notwithstanding the existence of any law that may appear to permit the contrary, no assignee of a promissory instrument shall acquire any enforceable interest therein unless the instrument contains the following provision:

"I am aware of, and consent to, the fact that this instrument may be assigned to another party.

_____

Signed "

The foregoing provision must be signed by the maker of the instrument separately from the signature that binds him on the instrument.

HB 434, AN ACT relating to securities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 292.360 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any security for which a registration statement has been filed under the Securities Act of 1933 in connection with the same offering may be registered by coordination.

(2) A registration statement under this section shall contain the following information and be accompanied by the following documents, in addition to payment of the registration fee prescribed in KRS 292.380 and, if required under KRS 292.430, a consent to service of process meeting the requirements of that section:

(a) Three copies of the prospectus filed under the Securities Act of 1933 together with all amendments thereto;

(b) The amount of securities to be offered in this state;

(c) The states in which a registration statement or similar document in connection with the offering has been or is expected to be filed;

(d) Any adverse order, judgment or decree previously entered in connection with the offering by any court or the Securities and Exchange Commission;

(e) If the director by rule or otherwise requires, a copy of the articles of incorporation and by-laws (or their substantial equivalents) currently in effect, a copy of any agreements with or among underwriters, a copy of any indenture or other instrument governing the issuance of the security to be registered, and a specimen or copy of the security;

(f) If the director requests, any other information, or copies of any other documents, filed under the Securities Act of 1933; and

(g) An undertaking to forward promptly all amendments to the federal registration statement, other than an amendment which merely delays the effective date.

(3) A registration statement under this section automatically becomes effective at the moment the federal registration statement becomes effective; *and the provisions of KRS 292.390 shall not apply to registrations under this section.* [if all the following conditions are satisfied:]

[(a) No stop order is in effect and no proceeding is pending under KRS 292.390;]

[(b) The registration statement has been on file with the director for at least ten days; and]

[(c) A statement of the maximum and minimum proposed offering prices and the maximum underwriting discounts and commissions has been on file for two full business days or such shorter periods as the director permits by rule or otherwise and the offering is made within those limitations. The registrant shall promptly notify the director by telephone or telegram of the date and time when the federal registration statement became effective and the content of the price amendment, if any, and shall promptly file a post-effective amendment, containing the information and documents in the price amendment. "Price amendment" means the final federal amendment which includes a statement of the offering price, underwriting and selling discounts or commissions, amount of proceeds, conversion rates, call prices, and other matters dependent upon the offering price.]

[Upon failure to receive the required notification and post-effective amendment with respect to the price amendment, the director may enter a stop order, without notice or hearing, retroactively denying effectiveness to the registration statement or suspending its effectiveness until compliance with this subsection, if he promptly notifies the registrant by telephone or telegram (and promptly confirms by letter or telegram when he notifies by telephone) of the issuance of the order. If the registrant proves compliance with the requirements of this subsection as to notice and post-effective amendment, the stop order is void as of the time of its entry. The director may by rule or otherwise waive either or both of the conditions specified in

paragraphs (b) and (c). If the federal registration statement becomes effective before all these conditions are satisfied and they are not waived, the registration statement automatically becomes effective as soon as all the conditions are satisfied. If the registrant advises the director of the date when the federal registration statement is expected to become effective the director shall promptly advise the registrant by telephone or telegram, at the registrant's expense, whether all the conditions are satisfied and whether he then contemplates the institution of a proceeding under KRS 292.390; but this advice by the director does not preclude the institution of such a proceeding at any time.]

HB 460, AN ACT relating to banks and banking.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 287 of the Kentucky Revised Statutes is created to read as follows:

(1) It is hereby declared to be the policy of the Commonwealth of Kentucky that the investment of funds, by a bank chartered under the laws of Kentucky or a national banking association having its principal office in Kentucky, in real and personal property as now or hereafter provided by KRS Chapter 287 be recognized as a normal, proper, necessary, and integral part of the legitimate business of such state or national banks.

(2) Upon approval of the Commissioner of Banking in the case of a state bank, or the proper federal supervisory authority in the case of a national bank, the institution may invest its funds in real or personal property for use as its home office or for branch offices and may sublet to others space in any such property not currently required for its needs.

(3) All property owned and held by a state or national bank under this section shall be deemed to be property that is proper and necessary for carrying out its legitimate business within the meaning of KRS 271.145 or any other section of the Kentucky Revised Statutes relating to escheat.

The Committee Amendment to **HB 460** is as follows:

Amend printed copy of House Bill 460 on page 2, line 1, by:

inserting after the word "property" the words "and/or improvements on such real property when all or a portion of the improvements are"

and on lines 2 and 3, by placing a period "." after the word "offices" and striking all subsequent words

SB 96, AN ACT concerning interest rates which public bodies shall be permitted to pay upon their public obligations; and declaring an emergency.

WHEREAS, the cost of money as represented by prevailing interest rates in the financial market places has steadily increased in recent years, and is now higher than at any time in more than fifty years; and

WHEREAS, inflationary pressures, and competition for money among all sectors of the national economy, have been in recent months, and continue to be, such that the Commonwealth, its political subdivisions, its municipalities, school and other taxing districts, non-taxing public bodies and institutions, and agencies and instrumentalities thereof, have been and are, in increasing numbers, unable to market their bonds, notes, warrants or other lawful obligations within the various statutory limitations respectively applicable thereto; with the result, as demonstrated by numerous failures to receive purchase bids at public offerings, that the construction, acquisition or other undertaking of essential public projects (such words including, as examples only and without limiting their generality, school buildings, other buildings, structures and appurtenant facilities for public purposes, water systems, sewer systems, sewage treatment and disposal plants, and hospitals), cannot be financed and are of necessity being abandoned or postponed indefinitely, solely because prevailing statutory interest rate limitations are unduly and unrealistically restrictive; and

WHEREAS, it appears to the General Assembly that it is in the interests of the public health, safety and general welfare of the Commonwealth and its citizens, that financing of public projects to serve proper public needs and demands be made possible by permitting public bodies to meet prevailing interest rate competition, and it has been caused to appear that certain

adjoining states have enacted laws of this nature, thus placing the Commonwealth and its citizens at an additional disadvantage which further compounds already existing difficulties in the financing of urgently needed public projects; and

WHEREAS, by reason of all of the foregoing it is apparent that a state of emergency exists, and that this Act should become effective immediately upon its passage by the General Assembly and its approval by the Governor, in order that the Commonwealth, its subdivisions, public bodies and institutions, and the agencies and instrumentalities thereof, may be able to finance public projects and undertake the same as early as possible during favorable construction weather in the year 1970;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 58 of the Kentucky Revised Statutes is created to read as follows:

(1) As used in this Act, unless the context otherwise requires:

(a) "Public body" means the Commonwealth, its political subdivisions, its municipalities, its school and other taxing districts, its non-taxing public bodies and institutions, and any and all agencies and instrumentalities thereof, whether such agencies or instrumentalities be now existing or hereafter created and established under and pursuant to specific statutory authority, or whether such agencies or instrumentalities be now existing or hereafter organized, established and caused to exist as non-profit corporations under applicable general laws, having performance as such agencies or instrumentalities as their sole corporate purposes;

(b) "Public obligation" means bonds, notes, warrants or other obligations of any public body;

(c) "Rate of interest" means both the coupon or stated interest rate applicable to any public obligation, and the effective interest rate or interest cost percentage, computed upon the basis of the coupon or stated interest rate or rates and the price actually

to be received by the issuing public body; provided, however, this Act is not intended, and shall not be construed, to amend, alter or repeal any existing law requiring that certain public obligations be sold at not less than the face amount thereof.

(2) This Act does not relate to or affect borrowing by any person or corporation except such as are within the definition of "public body" as set forth in this section.

Section 2. A new section of Chapter 58 of the Kentucky Revised Statutes is created to read as follows:

It is hereby determined and declared to be the public policy of the Commonwealth that interest rates payable by public bodies upon public obligations be such as to be competitive with those rates which are permitted by other states, in order that necessary public projects may be financed and may be undertaken in the interest of the public health, safety and general welfare.

Section 3. A new section of Chapter 58 of the Kentucky Revised Statutes is created to read as follows:

From and after the effective date of this Act, notwithstanding any other acts or laws of other import which may presently prevail, wherever the same may be found in the Kentucky Revised Statutes as of such effective date, it shall be lawful for public bodies to establish, agree and bind themselves to pay, interest upon their public obligations at any rate or rates which may be determined upon by the governing bodies of the respective public bodies which are the issuers thereof; but subject, nevertheless, to such approvals as may now or hereafter be applicable thereto according to law.

Section 4. A new section of Chapter 58 of the Kentucky Revised Statutes is created to read as follows:

If any public body shall determine

(1) that financing of a public project may be accomplished to the best advantage in the public interest only by combining the same with refinancing of previously issued and outstanding public obligations at a rate or rates of interest higher than the rate or rates otherwise applicable thereto, or

(2) that refinancing of a public project at a higher in-

terest rate or rates is necessary in order to prevent or anticipate default in payment of interest or principal of public obligations with regard thereto, or

(3) that any combination of the circumstances described in (1) or (2) exists;

then such refinancing is recognized to be lawful; provided, however, that prior to any such refinancing at a higher rate or rates of interest, the issuing public body shall make and spread at large upon its public records its determination that such action is necessary or desirable in the public interest, and its reasons therefor.

Section 5. It is hereby found and determined that public bodies are presently unable to finance or refinance necessary public projects, solely by reason of existing statutory interest rate limitations which are unrealistic and not at competitive levels; and accordingly it is hereby found and declared that an emergency exists and that this Act shall become effective immediately upon its passage and its approval by the Governor, in order that necessary financing or refinancing of public projects by public bodies may be effected in time to permit the undertaking of public projects as early as possible during favorable construction weather in the year 1970.

SB 114, AN ACT relating to insurance other than life.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 299.310 of the Kentucky Revised Statutes is amended to read as follows:

(1) Twenty-five or more persons residing in any one or more adjoining municipalities, or in any county, or in not more than ten adjoining counties, who collectively own property of the value of fifty thousand dollars or more, may organize a company for the purpose of cooperative or assessment insurance against *(a) loss of or damage to real or personal property of every kind and interest therein, from any or all hazards or causes, and against loss consequential upon such loss or damage; and (b) legal liability for the death, injury, or disability of any hu-*

man being, or for damage to property; and medical, hospital, surgical, and funeral expenses of persons injured, irrespective of legal liability of the insured, when issued as an incidental coverage with or supplemental to liability insurance. Such persons shall make and acknowledge a certificate setting forth their intention to form such a company, the counties or municipalities in which it intends to do business, its corporate name, and the place where its principal office is to be located. Every person insured in such a company who signs an application for insurance as required by the certificate of incorporation or by the bylaws of the company shall thereby become a member. Provided, however, that no such company shall insure against any of the hazards set forth in paragraph (b) hereof unless it has a net surplus of two million dollars or more or is fully reinsured as to all such hazards by a contract or contracts filed with and approved by the commissioner. [physical loss or damage of property by such hazard or hazards as it may provide in its policies by making and acknowledging a certificate setting forth their intention to form such a company, the counties or municipalities in which it intends to do business, its corporate name, and the place where its principal office is to be located. Every person insured in such a company who signs an application for insurance as required by the certificate of incorporation or the bylaws of the company shall thereby become a member.]

(2) No money shall be collected by any person on behalf of the company until two of the members or organizers have given joint bond to the director in the sum of ten thousand dollars, conditioned that all money so collected will be used as directed by law, and that the affairs of the company will be conducted according to law. The bond shall be held by the director for the benefit of the members of the company until the company has become legally incorporated and its affairs have been examined by an expert accountant, appointed by the director, and found to be in due and regular form, and immediately thereafter the bond shall be cancelled.

(3) No company shall be formed under KRS 299.310 to 299.470 for the purpose of transacting any business of insurance other than as prescribed in those sections, and no company shall insure against any loss other than the ones permitted by those

sections. Any company operating under the provisions of KRS 299.310 to 299.470 as of June 1, 1960, shall be authorized to write all types of insurance allowed under subsection (1) hereof without amendment of its charter or articles of incorporation.

SB 122, AN ACT relating to assessment or cooperative insurance other than life.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 299 of the Kentucky Revised Statutes is created to read as follows:

Any company operating under the provisions of KRS 299.310 et seq. may become a mutual insurer as defined in Chapter 304 of the Kentucky Revised Statutes upon the approval of such change by two-thirds of the authorized vote of the membership of the company, such authorized vote to be determined by the provisions of KRS 299.350; and such vote to be at a regular annual meeting of the membership of the company, notice of which meeting shall have been given to the membership in writing at least thirty days in advance, setting forth the fact that a vote upon such conversion shall be taken at said meeting. In the event of such conversion of a company, the effective date of the conversion shall be fixed by resolution of the membership, and all policies in force as of the effective date of conversion shall remain in force unless sooner cancelled until the next regular assessment thereon or until one year after the effective date of conversion, whichever is earlier. All policies written after the effective date of conversion in all respects shall be in conformity with the provisions of Chapter 304 of the Kentucky Revised Statutes. The plan of conversion must be submitted to and approved by the Commissioner before it becomes effective.

The Committee on Rules reported **HB 49, HB 81, HB 79** with Committee Substitute attached thereto, **SB 139, HB 92** with Committee Substitute attached thereto, **HB 166, HB 351, HB 395, HB 416** and **HB 454** have been posted for passage in Orders of the Day, March 2, 1970.

The Committee on Rules reported **HB 240** has been recommitted to the Committee on State Government for the purpose of considering a Committee Substitute.

Calendar

HB 54, HB 56, HB 148, HB 352, HB 168, HB 265, HB 371, HB 381, HB 410, HB 425, HB 430, HB 480, HB 499, HB 294, HB 331, HB 336, HB 502, HB 510, HR 55, HR 56, SB 108, SB 151 and **SB 201** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected.

Representative Blume filed an amendment to **HB 225**.

Representative Swinford filed an amendment to **HB 280**.

Senate Message

Announcing passage of **SB 153, SB 6, SB 177, SB 150, SB 231, SB 276, SB 94, HB 185, HB 365,** and **HB 307.**

Report on Enrolled Bills

The Committee on Enrollment reported **HB 99, HB 19, HB 255, HB 256, SB 65, SB 132** and **SB 34** had been examined and found correctly enrolled. **HB 99, HB 19, HB 255, HB 256, SB 65, SB 132** and **SB 34** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day

Representative McBrayer moved that consideration of **HB 65, HB 95** and **HJR 48** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 182, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Paxton moved the adoption of the Committee Amendment to **HB 182**. Agreed.

On the roll call the vote was yeas 49—Blandford, Blume, Clapp, Clarke, Curlin, Deskins, Donnermeyer, Dorris, Freeman, Graves, Haney, John O. Hardin, Head, Hinkle, Isler, Keene, Kenton, Kidd, Knuckles, Lindsay, Louden, McBride, McCann, McNamara, May, Mershon, Mitchell, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Siemens, Swinford, Tobin, Van Horn, Wheeler, Glenn White, Wible, Wyatt, Yocom. Nays 32—Allen, Baker, Bartley, Bleemel, Blythe, A. Brown, H. Brown, Bruce, Carter, Conn, J. Davis, W. Davis, DeMarcus, Durham, Floyd, L. Hardin, Holloway, Huff, Hughes, Keith, Kessinger, King, Lewis, Lovins, McBrayer, Nett, Osborne, Roberts, Salyers, Sharpe, Stuart, Wright.

HB 182 as amended was passed and the title agreed to.

Representative Paxton moved that the vote by which **HB 182** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 478 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 91—Alexander, Allen, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 478 was passed and the title agreed to.

Representative Kidd moved that the vote by which **HB 478**

was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative J. Hardin filed an amendment to **SB 139.**

HB 483 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 80—Alexander, Allen, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Knuckles, Lewis, Lindsay, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Mitchell, Osborne, Parish, Paxton, Peak, Prather, Priddy, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wheeler, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 483 was passed and the title agreed to.

Representative Prather moved that the vote by which **HB 483** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Prather moved that consideration of **SB 115** and **HJR 28** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 143, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative Prather moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lindsay moved the adoption of the Committee Amendment to **HB 143.** Agreed.

On the roll call the vote was yeas 78—Alexander, Allen, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Ed-

ward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Knuckles, Lewis, Lindsay, Louden, McBride, McCann, McNamara, May, Mershon, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Ray, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 143 as amended was passed and the title agreed to.

Representative Lindsay moved that the vote by which **HB 143** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 153 taken from Orders of the Day and ordered read at length for the third time. Representative Prather moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 78—Alexander, Allen, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Durham, Floyd, Graves, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McKinney, McNamara, May, Mershon, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Rickert, Roberts, Ruh, Salyers, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 153 was passed and the title agreed to.

Representative Prather moved that the vote by which **HB 153** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Clapp presiding.

HB 98 taken from Orders of the Day and ordered read at length for the third time. Representative Prather moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lindsay moved the adoption of an amendment to **HB 98**.

Representative Stuart moved that the amendment be withdrawn. Agreed.

On the roll call the vote was yeas 13—Chapman, Keene, Kenton, Lindsay, McCann, Mershon, Mitchell, Peak, Reed, Roberts, Ruh, Sharpe, Stuart. Nays 62—Alexander, Allen, Baker, Bartley, Blandford, Bleemel, Blume, A. Brown, H. Brown, Carter, Curlin, J. A. Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman, Haney, J. Hardin, L. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keith, Kidd, King, Knuckles, Lewis, Lovins, McBrayer, McBride, McKinney, McNamara, Nett, Osborne, Parish, Paxton, Pollitte, Prather, Priddy, Rattliff, Ray, T. Reynolds, W. J. Reynolds, Rickert, Salyers, Simmons, Swinford, Tobin, Van Horn, Wenz, Wheeler, G. White, J. White, Wible, Wright, Wyatt, Yocom.

HB 98 was defeated.

Representative Swinford moved that the vote by which **HB 98** was defeated be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 220** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 281 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 85—Alexander, Allen, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Freeman,

Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wheeler, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 281 was passed and the title agreed to.

Representative J. A. Davis moved that the vote by which **HB 281** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representatives Hinkle, Murphy, Clarke and Roberts asked that they be recorded as voting "aye" on the passage of **HB 478**. Agreed.

Representative McBrayer moved that when the House adjourns today that it do so by voice vote; and, that when it adjourns that it do so until 3:00 p.m., Monday, March 2, 1970. Agreed.

Representative McBrayer moved that consideration of **HB 364, SB 198** and **HR 61** be deferred and that they retain their position in Orders of the Day. Agreed.

Representative McBrayer moved that the Rules be suspended for Announcements, Introduction of Bills and Resolutions, and Reference of Bills and Resolutions. Agreed.

Announcements

The Clerk announced a Special Meeting of the Committee on Health and Welfare, on adjournment, March 2, 1970.

The Clerk announced the following Bills and Resolutions were posted for consideration:

Cities: **HB 414.** (Room 401, February 5, 1970, 11:00 a.m.)

Appropriations and Revenue: **HB 356, HB 571, HJR 68,**

HB 583, HB 451, HB 452, HB 556, HB 252, HB 253, HB 421. (Room 402, March 2, 1970, 1:00 p.m.)

State Government: **SB 180, HB 543, HB 305, HB 384, HB 443, HB 551.** (Room 401, March 2, 1970, on adjournment)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Health and Welfare: **HB 393, HB 396, HB 428.**

Introduction of Bills and Resolutions

HR 71, by Representative Wible: A RESOLUTION honoring the Honorable Elmer L. Brown.

HR 72, by Representatives McBrayer, Clapp, Carroll, Peak, W. J. Reynolds, Hinkle, Nett, Wible, Allen, Deskins, Ray, Donnermeyer, Conn, Wyatt, McBride, Mitchell, Chapman, E. G. Brown, Kenton, Graves, Lewis, Kidd and Tobin: A JOINT RESOLUTION relating to public education.

HCR 73, by Representative Roberts: A CONCURRENT RESOLUTION urging and requesting Congress to require automobile manufacturers to make provisions for the recovery of abandoned cars.

HB 637, by Representatives Kenton, Van Horn and Chapman: AN ACT relating to fees of justices of the peace.

HB 638, by Representative Curlin: AN ACT relating to private corporations.

HB 639, by Representatives Kenton, Van Horn and Chapman: AN ACT relating to courts.

HB 640, by Representative Swinford: AN ACT proposing an amendment to Section 145 of the Constitution of the Commonwealth of Kentucky relating to voting.

HB 641, by Representative Wheeler: AN ACT proposing an amendment to Section 147 of the Constitution of Kentucky, relating to voting.

HB 642, by Representative Kenton: AN ACT relating to cities.

HB 643, by Representative Kenton: AN ACT relating to teacher's retirement.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Judiciary: **HB 582.** (Room 402, March 4, 1970, thirty minutes after adjournment)

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 581, HB 583, HB 584, HB 586, HR 68.**

Business Organizations and Professions: **HB 595, SB 245, SB 265.**

Cities: **HB 599.**

Education: **HB 597.**

Health and Welfare: **HB 587, HB 588, HB 590, HB 591, HB 593, HB 594, HB 600, HB 592.**

Judiciary: **HB 582, HB 596, HR 69.**

State Government: **HB 585, HB 589, HB 598.**

Rules: **HR 66, HR 67.**

Representative Roberts moved that the House adjourn until 3:00 p.m., Monday, March 2, 1970. Agreed.

MONDAY, MARCH 2, 1970

FORTY-FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by the Reverend Charles N. King, Corinthian Baptist Church, Frankfort.

The roll was called. All present except Representatives Chapman, McGill and Siemens.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of February 27, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 644, by Representative DeMarcus: AN ACT relating to the licensing of child-placing institutions and agencies, child-caring institutions, and group homes.

HB 645, by Representatives Wyatt, Kidd, Blume, Blythe, Yocom and Siemens: AN ACT relating to school districts.

HB 646, by Representatives DeMarcus, Simmons, W. Davis, Collins and Hughes: AN ACT relating to issuance of general obligation bonds of the Commonwealth.

HB 647, by Representative Curlin: AN ACT relating to state police.

HB 648, by Representative Simmons: AN ACT imposing an excise tax.

HB 649, by Representative Rickert: AN ACT relating to planning and zoning.

HB 650, by Representative Ruh: AN ACT relating to re-apportionment of county commissioners' districts.

HB 651, by Representative Yocom: AN ACT relating to mobile homes.

HB 652, by Representative Yocom: AN ACT relating to combustion engines.

HB 653, by Representatives J. Hardin, Wyatt and Keith: AN ACT relating to the Kentucky State Plumbing Code.

HR 74, by Representative E. G. Brown: A RESOLUTION congratulating the Ohio Valley Conference Champions.

HR 75, by Representative A. Brown: A RESOLUTION honoring Representative W. Terry McBrayer.

Senate Message

Announcing passage of **SB 253.**

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HB 604, SR 36.**

Appropriations and Revenue: **HB 601, HB 610.**

Banking and Insurance: **HB 609, HB 620, HB 621, HB 622, HB 628.**

Business Organizations and Professions: **HB 605.**

Cities: **HB 611, HB 612, HB 613, HB 614, HB 615, HB 616, HB 617, HB 618.**

Education: **SB 216.**

Elections and Constitutional Amendments: **SB 15, SB 275.**

Health and Welfare: **HB 606, HB 607, HB 608, SB 70.**

Judiciary: **HB 602, HB 619, HB 624, HB 629.**

State Government: **HB 603, HB 623, HB 625, HB 626, HB 627.**

Report of Committees

The Committee on Education reported **HB 57,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 57, AN ACT relating to schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

(1) No part of any school curriculum which is designed to provide instruction in human sexuality or sex relationship shall be taught to pupils in kindergarten and in grades one through eight in any school, public or private, in this Commonwealth.

(2) Teaching of physical hygiene which promotes healthful living and helps establish proper health habits in the lives of school children is permitted.

Section 2. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

(1) No sensitivity training technique shall be used in public or private schools and no school curriculum on normal or abnormal sex activity shall be taught in public or private schools in kindergarten and in grades one through twelve, inclusive.

(2) This section shall not be construed in any way so as to interfere with the traditional teaching of home economics or animal or plant biology.

Section 3. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

(1) No test, questionnaire, survey, assignment, or examination containing any questions about the pupil's personal belief or practices in sex, family life, morality and religion, or any questions about his parent's or guardian's beliefs and practices in sex, family life, morality and religion, shall be administered to any pupil in kindergarten or in grades one through twelve, inclusive, in any public or private school in this Commonwealth.

(2) The provisions of this section shall apply whether the survey, test, questionnaire, assignment, or examination is conducted in private or in group testing or discussion.

Section 4. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

The State Board of Education shall adopt and enforce such rules and regulations as may be necessary to make this program effective.

Section 5. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

Any school teacher or school administrator who violates any of the provisions of this Act shall be fined not less than $100 nor more than $1,000 and shall be barred from employment in any school in this state for a period of one year. Upon conviction for a second violation of this Act the fine shall be not less than $500 nor more than $5,000 and the violator shall be permanently barred from employment in any school in this state.

Committee Substitute, HB 57, AN ACT relating to schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

(1) No part of any school curriculum which is designed to provide instruction in human sexuality or sex relationship shall be taught to pupils in kindergarten and in grades one through six in any public school in this Commonwealth.

(2) Teaching of physical hygiene, courses in biology, physiology, health, physical education, or home economics which promotes healthful living and helps establish proper health habits in the lives of school children is permitted.

Section 2. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

(1) No sensitivity training shall be conducted in the schools. As used in this section "sensitivity training" includes the activities variously described as group dynamics, group confes-

sion, marathon interpersonal competence, nude marathon, autocriticism, operant conditioning, self-honest sessions, human potential workshops, human relations lab, and basic encounter groups, whenever directed or conducted in a manner that tends to break down or release sexual inhibitions.

(2) This section shall not be construed in any way so as to interfere with the traditional teaching of general courses in Biology, Physiology, Health, Physical Education or Home Economics.

Section 3. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

No course of study in sex education or in any other branch of the social or physical sciences or humanities, shall be offered in the Commonwealth of Kentucky which shall utilize, in whole or in part, any or all materials, books, records, pictures, films, tapes, teaching aids or other devices related to sex education distributed by the Sex Information and Education Council of the United States (SIECUS), its board members, or former board members, or material prepared in conjunction with or in consultation with the said Sex Information and Education Council of the United States (SIECUS), its assigns or successors, or its board members or former board members, and other similar non-physical and non-biological sex education materials whose content and context are inconsistent with and inimical to the traditional and overriding moral heritage and foundation of our nation.

Section 4. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

(1) No test, questionnaire, survey, assignment or examination containing any questions about the pupil's personal belief or practices in sex, family life, morality and religion, or any question about his parents' or guardians' beliefs and practices in sex, family life, morality and religion, shall be administered to any pupil in kindergarten or in grades one through twelve, in any public school in this Commonwealth.

(2) The provisions of this section shall apply whether the survey, test, questionnaire, assignment or examination is conducted in private or in group testing or discussion.

Section 5. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

In grades seven through twelve, schools may conduct sex education classes under the following conditions. Attendance shall be segregated by sex of the student. Attendance at any session shall be only by written permission of the students' parents and the parent may attend any session if he desires. At least thirty days before any course of study in sex education is begun, all materials, text books, teaching aids or other supplies to be used in the course of study shall be available for inspection by any parent or guardian of a minor attending the school in which the course of study is given and for a period of sixty days following the completion of the course of study.

Section 6. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby established a Division of Sex Education in the Office of the Superintendent of Public Instruction.

(2) A Sex Education Advisory Board is established and shall consist of nine members. The Chairman of the Kentucky Commission on Children and Youth, the Commissioner of the Department of Child Welfare, the Commissioner of the Department of Health, the Commissioner of the Department of Mental Health, and the Commissioner of the Department of Economic Security shall serve as ex officio members of the advisory board. However, such chairman or any such commissioner may designate an individual employed by his commission or department, as the case may be, to serve in his place and represent his commission or department on the advisory board. The Superintendent of Public Instruction shall appoint four persons to the advisory board who shall be members of, and shall represent, the general public. In making such appointments the superintendent shall give due consideration to the recommendations of various religious, professional, civic and educational groups interested in providing sex education in public schools. The terms of these public members shall terminate February 1, 1972. Thereafter, new appointments of the public members shall be made in like manner and such members shall serve four year terms of office and until their successors are appointed and qualified. Vacancies in the terms of public members shall be filled in like manner as

original appointments for the balance of the unexpired term or terms. All members of the advisory board shall serve without compensation but shall be reimbursed for necessary expenses incurred in performing their duties.

(3) The board shall examine the motion pictures, literature and educational programs as provided for by this Act, and shall recommend criteria in regard to scope and emphasis of such motion pictures, literature and educational programs. The board shall also make recommendations in regard to policies for distribution of the sex education materials, including but not limited to the policies relating to the grade-levels to which such films are to be shown, the age at which such films are first to be received, the frequency of exhibition and the general method of presentation.

(4) The board shall select a chairman and establish rules and procedures for its proceedings not inconsistent with the provisions of the Act. All matters coming before the board shall be decided by a majority vote of those present at the meeting.

Section 7. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

(1) The division shall have the following powers and duties:

(a) To aid in the establishment of educational programs designed to provide to pupils as designated in the schools of this State, wholesome and comprehensive education in regard to the emotional, psychological, physiological, hygienic, and social responsibility aspects of family life and sexual relations;

(b) To establish a library of motion pictures, literature and other education materials to be made available to any elementary or secondary school establishing such an educational program and allowed to receive such materials under the rules and regulations of the division;

(c) To aid in the establishment of education programs within the universities and colleges of this State for the instruction of teachers in training, and at the various district, regional or county institutes conducted under the provisions of the "School Code," designed to enable teachers to effectively conduct classes in such a program.

(2) The Division, with the approval of the Sex Education Advisory Board, shall establish and may change the rules and regulations necessary to carry out the provisions of this Act.

Section 8. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

Local school boards shall determine whether sex education shall be conducted in the schools within their districts. A school board may permit the full program promulgated by the division and the advisory board to be taught, or it may permit only a portion thereof to be taught, but it shall not permit the teaching of any program further removed from traditional ideas than the program of the division and advisory board.

Section 9. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

Violation of this Act shall result in the withholding of all state funds to an offending school board by the Superintendent of Education of the Commonwealth of Kentucky until the violation shall cease.

Section 10. A new section of Chapter 158 of the Kentucky Revised Statutes is created to read as follows:

Any school teacher or school administrator who violates any of the provisions of this Act shall be fined not less than $100 nor more than $1,000 and shall be barred from employment in any school in this state for a period of one year. Upon conviction for a second violation of this Act the fine shall be not less than $500 nor more than $5,000 and the violator shall be permanently barred from employment in any school in this state.

The Committee on Appropriations and Revenue reported **HB 451, HB 452** and **HR 68** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 451, AN ACT relating to maximum school ad valorem taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 160.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each district board of education shall prepare a general school budget on forms prescribed and furnished by the State Board of Education, showing the amount of money needed for current expenses, debt services, capital outlay, and other necessary expenses of the schools during the succeeding fiscal year, the estimated total amount that will be received from the common school fund and other sources, the assessed valuation of property subject to local taxation in the school district furnished as provided in subsection (3) of KRS 160.460, an estimate made by the Department of Revenue of public service company assessments and assessments of other property in the school district not furnished under the provisions of subsection (3) of KRS 160.460, and the amount that will be needed to be raised by local taxation, including the rate of levy necessary to raise such an amount.

(2) Notwithstanding any statutory provisions to the contrary, no district board of education shall submit a budget which would require *a higher ad valorem tax rate than that permitted in subsection (3) of this section* [more revenue from local ad valorem taxes than would be produced by application of the preceding year's rate to the preceding year's assessment], exclusive of voted levies [and net assessment growth as defined in KRS 132.425, except as provided in subsection (4) of KRS 157.380 and as provided in subsection (4) of this section]. In the event of a merger of school districts, the limitations contained in this section shall be based upon the combined revenue of the merging districts, as computed under the provisions of this section.

(3) The Superintendent of Public Instruction shall certify to each district board of education, by June 1 of each year, the maximum permissible local ad valorem tax *rate* [revenue]. This amount shall be *the higher of* [computed as follows]:

(a) The *compensating tax rate as defined in KRS 132.010(6); or* [Superintendent of Public Instruction shall determine the total amount of ad valorem tax revenue which would be produced by application of the preceding year's rate to the preceding year's assessment.]

(b) The *tax rate which was levied in the year 1968 or 1969*

[Superintendent of Public Instruction shall determine the total amount of ad valorem tax revenue which would be produced by application of the preceding year's effective tax rate to the net assessment growth in each school district. The net assessment growth as determined in accordance with KRS 132.425 shall be certified to the Superintendent of Public Instruction by the Department of Revenue by May 20 of each year].

(c) The [sum of the] amount[s] computed under (a) and (b) of this subsection shall *take into account any increases allowed under subsection (4) of this section.* [be the maximum permissible local ad valorem tax revenue for purposes of subsection (2) of this section, except as otherwise therein prescribed.]

(4) Notwithstanding the limitations contained in subsection (2) of this section, any district board of education which in preparing its proposed budget deems that it will require an amount of revenue greater than that permitted in subsection (2) may submit to the levying authority for the school years 1966-1967 and 1967-1968 a budget which could require an increase in such revenue of not more than ten percent after compliance with the following:

(a) The district board of education shall give notice of any proposed increase in revenue. Notwithstanding any statutory provisions to the contrary, notice shall be given by causing to be published, at least one time in a newspaper of general circulation published in the county or by posting at the courthouse door if there be no such newspaper, the fact that said increase of not exceeding ten percent is being proposed. Said advertisement shall state that the district board of education will meet at a place and on a day fixed in the advertisement, not earlier than one week and not later than two weeks from the date of the advertisement, for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposal.

(b) The district board of education shall conduct a public hearing at the place and on the date advertised for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposal.

(c) Any district board of education which did not take

advantage of both increases allowed by this subsection may take any such increases prior to June 30, 1973.

(5) Three copies of the budget shall be filed with the clerk of the tax levying authority of the district within three days after the district board of education has received its assessment data. The clerk shall present the budget to the proper tax levying authority when the authority convenes to fix its school levy. The failure of the district board of education to furnish the budget within the time prescribed shall not invalidate any levy made thereafter.

(6) Within three days after the tax levying authority has fixed the tax rate, the district board of education shall forward two copies of the budget to the State Board of Education for its approval or disapproval. The budget shall be disapproved if it is financially unsound or fails to provide for (a) payment of maturing principal of and interest on any outstanding voted school improvement bonds of the school district authorized and issued pursuant to KRS 162.080 and 162.090, with the written approval of the State Board of Education, or (b) payment of rentals in connection with any outstanding school building revenue bonds issued for the benefit of the independent school district or county school district, as the case may be, by the appropriate city or county as authorized and provided under the provisions of KRS 162.120 to 162.300, with the written approval of the State Board of Education, or fails to comply with the law; and the State Board of Education shall state its reason, or reasons, for such disapproval. In such event the district board of education shall amend its budget, within the limitations of this section, to obviate the reasons for disapproval.

(7) If the budget as amended specifies a tax levy different from that levied under the disapproved budget, the tax levying authority shall amend its levy in accordance therewith, so that the levy as amended shall comply with the provisions of subsection (1) of KRS 160.460. No general school budget shall become effective until approved by the State Board of Education.

(8) Each district board of education shall, if required by the State Board of Education, prepare and submit to it not later than September 15, a close estimate or working budget which shall conform to the rules and regulations prescribed by the State

Board of Education, and which shall be consistent in its major divisions with the general school budget previously prepared.

HB 452, AN ACT relating to city and county taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 68.245 of the Kentucky Revised Statutes is amended to read as follows:

(1) Notwithstanding any statutory provisions to the contrary, no county budget commission shall submit a budget which would require *a higher ad valorem tax rate than that permitted in subsection (2) of this section* [more revenue from local ad valorem taxes than would be produced by application of the preceding year's rate to the preceding year's assessment], exclusive of voted levies and net assessment growth, except as provided in subsection (3) of this section.

(2) The State Local Finance Officer shall certify to each county budget commission, by June 1 of each year, the maximum permissible local ad valorem tax *rate* [revenue]. This amount shall be *the higher of* [computed as follows]:

(a) The *compensating tax rate as defined in KRS 132.010(6); or* [State Local Finance Officer shall determine the total amount of local ad valorem tax revenue which would be produced by application of the preceding year's rate to the preceding year's assessment.]

(b) The *tax rate which was levied in the year 1968 or 1969* [State Local Finance Officer shall determine the total amount of local ad valorem tax revenue which would be produced by application of the preceding year's effective county rate to the net assessment growth in each county. The net assessment growth as determined in accordance with KRS 132.425 shall be certified to the State Local Finance Officer by the Department of Revenue by May 20 of each year].

(c) The [sum of the] amount[s] computed under subsections (a) and (b) of this subsection shall *take into account any increases allowed under subsection (3) of this section* [be the maximum permissible local ad valorem tax revenue for pur-

poses of subsection (1) of this section, except as otherwise therein prescribed].

(3) Notwithstanding the limitations contained in subsection (1) of this section any county budget commission which, in preparing the proposed budget, deems that it will require an amount of revenue from ad valorem taxes greater than that permitted in subsection (1) may submit to the levying authority for the tax years 1966 and 1967 a budget which could require an increase in such revenue of not more than ten percent after compliance with the following:

(a) The county budget commission shall give notice of any proposed increase in revenue. Notwithstanding any statutory provisions to the contrary, notice shall be given by causing to be published, at least one time in a newspaper of general circulation published in the county or by posting at the courthouse door if there be no such newspaper, the fact that said increase of not exceeding ten percent is being proposed. Said advertisement shall state that the county budget commission will meet at a place and on a day fixed in the advertisement, not earlier than one week and not later than two weeks from the date of the advertisement for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposals.

(b) The county budget commission shall conduct a public hearing at the place and on the date advertised for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposal.

(c) Any county budget commission which did not take advantage of both increases allowed by this section may take any such increases prior to June 30, 1973.

Section 2. Section 132.027 of the Kentucky Revised Statutes is amended to read as follows:

(1) Notwithstanding any statutory provisions to the contrary, no city shall levy a rate which exceeds *the higher of: (a)* the compensating tax rate defined in KRS 132.010*(6), or (b) the tax rate which was levied in the year 1968 or 1969,* except as provided in subsection (2) of this section.

(2) Notwithstanding the limitations contained in subsection (1) of this section, any city which deems that it will require a rate greater than that permitted in subsection (1) may levy a rate which does not exceed the rate prescribed in subsection (1) by more than ten percent for each of the two taxable years subsequent to December 16, 1965, after compliance with the notice and hearing provisions contained in KRS 68.240 and 68.245. The applicable city governmental unit shall give the required notice and conduct the hearing; and in the event there is no newspaper of general circulation, said notice shall be posted on the door of the city administrative building.

(3) Any city which did not take advantage of the increases allowed by this section may take any such increases prior to June 30, 1973.

HJR 68, A JOINT RESOLUTION relating to State Road Fund appropriations for the 1970-1972 biennium.

WHEREAS, the intent of General Assembly, in appropriating funds from the State Road Fund to state agencies other than highway, was for the specific purpose of requiring the road fund to participate in the operating cost of service agencies performing services related to administering highway user tax laws and regulations and other highway administrative costs, and

WHEREAS, the total road fund appropriation of $7,972,660 to other state agencies, including the $3,452,660 recommended in the Governor's Executive Budget, amounts to only 2.23% of the total road fund tax revenue estimate for the 1970-72 biennium, and

WHEREAS, the additional $4,520,000 appropriated from the State Road Fund to other state agencies by Committee Substitute to House Bill 18 amounts to only 1.27% of the total road tax revenue estimate for the 1970-72 biennium, and

WHEREAS, it was not the intent of the General Assembly in appropriating road fund monies to other state agencies, to interrupt in any manner whatsoever the federal aid highway construction programs, and

WHEREAS, the General Assembly is cognizant of its powers to appropriate state funds for specific purposes including any and all construction projects and any phrase thereof, should the General Assembly so desire, and

WHEREAS, the Department of Highways has issued broad statements concerning the impact of road fund appropriations to other state agencies on federal aid construction projects and programs, and

WHEREAS, the intent of the General Assembly in enacting this Joint Resolution is to clarify this situation for the benefit of the public, the Department of Highways and all concerned, by showing specific road fund appropriations, reductions in amounts requested for various purposes in the Executive Budget, and to show that the federal construction program has not been curtailed by the actions of the General Assembly; and to insure that such programs are not curtailed by shifting of state road funds required for matching available federal construction dollars during the 1970-1972 biennium;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Commissioner of Highways is hereby directed by the 1970 General Assembly to expend road fund monies appropriated to the Department of Highway by Part Two of the budget bill (Committee Substitute for HB 18), in accordance with the Governor's Recommendation as presented on pages 153 through 155 of the Kentucky Executive Budget for 1970-1972 and for no other purpose except as shown in Section 2 of this Joint Resolution.

Section 2. The Commissioner of Highways, the Commissioner of Finance and the Legislative Auditor are further directed to ensure that: (1) road fund tax receipts, toll receipts and miscellaneous receipts are expended in accordance with the schedule of fund estimates and appropriation of funds for the fiscal year 1970-1971 and for the fiscal year 1971-1972 as shown in Part I of this section; (2) that federal aid, general obligation bond funds, and state road funds appropriated for the fiscal year 1970-71 and fiscal 1971-72 are expended in accordance with

Part II of this section and for no other purpose; (3) that parkway construction funds are expended as shown in Part III of this section and for no other purpose; (4) and that the general provisions set forth in Part IV of this section are observed during the 1970-1972 biennium.

PART I
State Road Fund

A. Source of Funds	1970-71	1971-72
Tax & License Revenue	$172,000,000	$185,000,000
Parkway Toll Receipts	11,580,000	13,900,000
Miscellaneous Receipts	625,000	600,000
Total Funds	$184,205,000	$199,500,000

B. Expenditures	1970-71	1971-72
1. General Operations		
(a) Engineering	$ 5,182,000	$ 5,700,000
(b) Miscellaneous Construction	25,000	25,000
(c) Maintenance	35,172,170	37,041,170
(d) Traffic	5,055,000	5,496,000
(e) Garage Machinery & Equipment	160,000	170,000
(f) Real Property Maintenance	1,530,000	1,550,000
(g) New Maintenance & Construction Equipment	940,000	1,100,000
(h) Real Property Construction	1,000,000	1,000,000
(i) New Office & Engineering Equip.	212,000	233,000
(j) Administration	7,970,000	8,781,000
(k) Legal	318,000	350,000
(l) Audits	85,000	93,000
(m) Claims	103,000	113,000
(n) Workmen's Compensation	408,000	449,000

(o) Debt Service	16,000,000	17,400,000
(p) Parkway Lease Rentals	27,000,000	39,000,000
(q) Toll Facility Operations	5,270,000	6,619,000
Total	$106,430,170	$125,120,170

2. State Funds for Construction	1970-71	1971-72
(a) State Construction	$ 5,500,000	$ 5,640,000
(b) Federal Construction	24,041,000	19,101,000
Total	$ 29,541,000	$ 24,741,000

3. Rural Highways	1970-71	1971-72
(a) County Road Aid	$ 13,000,000	$ 13,000,000
(b) Rural Secondary	31,000,000	32,900,000
Total	$ 44,000,000	$ 45,900,000

4. Other State Agencies	1970-71	1971-72
(a) Department of Treasury	$ 50,000	$ 50,000
(b) Department of Finance	200,000	200,000
(c) Department of Personnel	120,000	120,000
(d) Department of Revenue	320,000	320,000
(e) Department of Public Safety	1,835,000	1,340,000
(f) Department of Commerce	177,125	177,125
(g) Department of Motor Transportation	1,281,705	1,281,705
(h) Department of Public Information	250,000	250,000
Total	$ 4,233,830	$ 3,738,830

Total—State Road Fund	$184,205,000	$199,500,000

PART II

Federal Aid Construction

A. Source of Funds	1970-71	1971-72
Federal Aid Grants	$186,204,000	$116,180,000
GOB Bond Funds	31,793,000	31,359,000
Total	$217,997,000	$147,539,000
*State Road Fund	24,041,000	19,101,000
Total Funds	$242,038,000	$166,640,000

*Part I B 2 (b)

B. Expenditures	1970-71	1971-72
1. Planning and Research		
(a) Planning	$ 2,100,000	$ 2,300,000
(b) Research	900,000	1,000,000
Total	$ 3,000,000	$ 3,300,000

2. Construction	1970-71	1971-72
(a) Primary	$ 21,914,000	$ 23,393,000
(b) Urban	9,436,000	5,477,000
(c) Secondary	20,782,000	26,509,000
(d) Appalachian	52,503,000	56,736,000
(e) Interstate	134,328,000	51,150,000
(f) Highway Beautification	75,000	75,000
Total	$239,038,000	$163,340,000

Total—Federal Aid Construction	$242,038,000	$166,640,000

PART III
Parkway Construction

A. Source of Funds	1970-71	1971-72
Turnpike Authority Funds	$143,080,000	$ 77,367,800

B. Expenditures	1970-71	1971-72
1. Construction		
(a) Pennyrile Parkway	$ 1,566,000	$ 3,000,000
(b) Western Ky. Parkway Extension	100,000	2,674,800
(c) Audubon Parkway	6,776,000	
(d) Daniel Boone Parkway	44,128,000	17,742,000
(e) Bowling Green—Owensboro Parkway	39,086,000	24,411,000
(f) Bowling Green—Somerset Parkway	51,424,000	29,540,000
Total	$143,080,000	$ 77,367,800
Total—Parkway Construction	$143,080,000	$ 77,367,800

SUMMARY
Department of Highways

	1970-71	1971-72
Total Part I	$184,205,000	$199,500,000
Total Part II	217,997,000*	147,539,000*
Total Part III	143,080,000	77,367,800
Total Appropriation	$545,282,000	$424,406,800

*Excludes State Road Matching Funds which are included in Total for Part I.

PART IV
General Provisions

A. Notwithstanding any other provision of the appropriations Act to the contrary, the 1970-1972 budget for the Department of Highways as shown in Parts I, II, and III of this Joint Resolution, shall be subject to the following provisions:

(1) It is the intention of the General Assembly that funds appropriated for highway general operations Part I, subsection B-1 of this Resolution shall be expended for the purposes designated therein, and any unexpended balance in these accounts at June 30, 1971 shall be declared road fund surplus and shall be allocated by the Department of Highways for the following purposes and priorities as listed:

a. Emergency Programs required by emergency declared by Governor
b. Resurfacing Program
c. Initial Treatment Program
d. Equipment Purchases
e. Real Property Construction

(2) Any surplus road funds accruing during the fiscal year 1970-71, as a result of revenue collections in excess of the official revenue estimates included in the executive budget document for the 1970-1972 biennium, shall be allocated by the Department of Highways by priorities stated in subsection (1).

(3) Any road fund surplus at June 30, 1972 shall be included in the sources of funds in the Department's budget request for the 1972-1974 biennium.

(4) Any deficit in the road fund for the fiscal years 1970-71 and 1971-72 resulting from revenue collections below the official revenue estimates for the biennium, shall be adjusted by the Department of Highways by reducing appropriations to accounts listed in Part I-B subsection 1(a) through 1(q) of this resolution.

(5) The increase in the amounts appropriated from the state road fund to other state agencies and included in the Committee Substitute for HB 18, and the reduction in the Governor's Recommendation for appropriations to the following accounts

shall be strictly adhered to and shall not be altered by the Department of Highways nor the Department of Finance to affect state road funds appropriated in Part I B-2 (b) of this resolution to provide the state's share of the cost of federal highway construction projects.

The amounts shown on Pages 153 and 154 of the Executive Budget for 1970-72 are reduced in the amounts set out below:

Item	Account	1970-71	1971-72
B. 1 (f)	Real Property Maintenance	$ 250,000	$ 250,000
B. 1 (g)	New Maintenance & Con-tion Equipment	560,000	400,000
B. 1 (h)	Real Property Construction	500,000	500,000
B. 2 (a)	State Construction	1,200,000	860,000
	Total	$2,510,000	$2,010,000

(6) Any unexpended balance at June 30, 1971 in the amount of state road funds appropriated in Part I B 2(b) for matching federal funds shall lapse to road fund surplus and shall be allocated by the Department of Highways to the priorities listed in subsection (1) of Part IV of this resolution for the 1971-1972 fiscal year; such surplus in this account at June 30, 1972 shall lapse to road fund surplus and shall be included in the Department's schedule of funds available for appropriation in submitting its budget request for the 1972-1974 biennium.

Section 3. The budget format for future biennial budget request of the Department of Highways shall conform to the format presented in Section 2 of this resolution.

The Committee on Rules reported **HB 388, HB 500, HB 41** with Committee Amendment attached thereto, **HB 52** with Committee Amendment attached thereto, **HB 369** with Committee Amendment attached thereto, **HB 64** with Committee Amendment attached thereto, **HB 265, HB 331** with Committee Amendment attached thereto, **HB 336, HB 352, HB 371, HB 381, HB 480, HJR 55, SB 108, SB 201** and **HR 67** have been posted for passage in Orders of the Day, March 3, 1970.

The Committee on Rules reported **HJR 56** has been recommitted to the Committee on Education because of another pending Resolution in committee.

Calendar

HB 50, HB 308, HB 314, HB 315, HB 328, HB 243, HB 339, HB 434, HB 347, HB 426, HB 436, HB 442, HB 447, HB 460, HB 469, HB 470, HB 479, HB 474, HB 520, HB 542, HB 532, HB 528, HB 505, HB 490, HB 482, HB 429, HB 498, HR 63, SB 114, SB 96, SB 122 and **SB 77** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

Representative DeMarcus moved that the Governor's message regarding **HB 646** received in the House today be spread upon the Journal. Agreed.

$48.3 MILLION GENERAL OBLIGATION BOND ISSUE

A MESSAGE
from
LOUIE B. NUNN
Governor of the Commonwealth of Kentucky
Transmitting

Legislation to put before the people a $48.3 Million General Obligation Bond Issue to benefit and enhance the State of the Commonwealth of Kentucky.

$48.3 MILLION GENERAL OBLIGATION BOND ISSUE

In presenting the 1971-72 Executive Budget to the Legislature, I said it was "a budget for the people." With the same objective, I proposed a general obligation bond issue to provide funds for major capital improvements at certain of the state's institutions—improvements which could not be provided through the biennial budget because of lack of general fund revenue.

These projects could have been funded through the issuance of revenue bonds by the State Property and Buildings Commis-

sion. However, I deliberately chose to recommend the issuance of general obligation bonds because this method solicits and requires the approval of not only the representatives of the people, but also the people themselves. Thus, the people are permitted to express their wishes regarding not only the extent but also the speed at which these badly needed projects are to be pursued.

The proposed bond issue is in the amount of $48.3 million. Without exception, the projects contained in the bond package would provide for the training, treatment, rehabilitation and encouragement of a wide range of Kentucky citizens. These are human projects to meet the real human needs of the people of this Commonwealth.

Specifically, we have proposed:

(1) $8,000,000 for a Vocational Technical Institute for West Jefferson County.

This area has the state's largest load of public assistance recipients, the heaviest concentration of unemployment, and ten separate areas of concentrated poverty.

An extensive vocational training program would be a long step toward the goal of moving Kentuckians off welfare rolls onto payrolls. There is conclusive proof that industry is attracted to those areas where a broadbased program of vocational-technical education is available.

The facility to be provided by this bond issue would accommodate more than 2,500 students at a time and provide training in up to 40 different occupational areas.

(2) $18,000,000 for a new correctional institution. At present, we are housing approximately 2,900 inmates at Eddyville and LaGrange in institutions designed for only 1,900. If we are to reduce our present recommitment rate, we must find a way to separate first offenders from the influence of the hardened criminals. The 475-bed facility which these funds can provide would be a major step in more effective rehabilitation of those for whom some hope remains.

(3) Kentucky's mental health institutions were, for the most part, constructed in the 19th century and are inadequate as modern hospitals for the treatment and medical rehabilitation of mentally ill persons.

$18,000,000 of the bond proceeds will be devoted to the construction or reconstruction of Mental Health facilities.

Projects will be included for each of the four psychiatric hospitals located at Danville, Lexington, Louisville and Hopkinsville. Plans call for facilities which are patient oriented such as housing and admissions and treatment centers.

Projects will include the construction of new treatment units at the Lexington and Louisville hospitals. These units are designed to meet the needs of newly-developed treatment methods requiring short-term, intensive care for increasing numbers of patients.

New buildings for housing treatment facilities for emotionally ill children are also planned.

Renovation projects at the Danville and Hopkinsville hospitals will provide more livable quarters for patients and facilitate their treatment.

Another priority item, renovation of a building at Outwood State Hospital and School for the retarded at Dawson Springs, could generate for the state about $300,000 a year in federal funds.

(4) $1,165,000 will go to Child Welfare for the construction of a new Regional Diagnostic-Reception Center in Jefferson County. The facility now in use at Lyndon will be converted to a Security Treatment Center for 50 hard-core delinquent boys.

Combined with Regional Diagnostic Centers now under consideration in Northern and Western Kentucky, this new facility will be another step toward providing smaller, more manageable, institutions with specialized programs adopted to best deal with the varying problems of young offenders.

(5) $2,100,000 of the bond proceeds will be used to construct a classroom-student center building at the School for the Deaf. This building will provide urgently needed facilities for all the students and faculty.

(6) The School for the Blind will receive $495,000 for construction of a building to be utilized for music instruction.

(7) $400,000 to stand as the guarantee fund behind loans

to Kentucky farmers as provided in HB 577, the Farm Development Authority Act.

This portion of the bond revenues can provide a dramatic lift to Kentucky's record-breaking farm economy by making available $10.5 million for loans to our farm families.

The state's gross realized farm income is estimated to have passed the one billion dollar mark for the first time in history during 1969 . . . a sure sign that Kentucky's farm economy is alive with promise.

At the same time, however, we find that the number of farmers and farm families is decreasing. While there are several reasons for this decline, a major cause appears to be the difficulty which the small farmer has in obtaining a loan for the purchase or improvement of land.

I believe that we can and we must give encouragement to the ownership and operation of small acreage farms. By guaranteeing all, or a portion, of farm loans, many of our farmers will be able to continue operations and others to begin farming.

This bond provision is another step in our attempts to stem the flow of migration from rural areas to urban centers. It provides the means for many of our citizens to continue to be productive and self-sustaining rather than being forced to join the growing welfare ranks. It presents the opportunity to our farmers to realize the dignity and pride which can come with the tilling of their own land.

It should be emphasized that this does not directly involve the government in the mortgage loan business. Rather, it encourages the participation of private lenders by guaranteeing up to $7,500 of any loan made on operating farm land to a qualified applicant.

I believe it represents one of the best examples of cooperation between government, private enterprise and the farm community in the encouragement of individual initiative.

This bond issue is not recommended without due regard for Kentucky's existing obligations. The state Finance Commissioner reports that a recently-completed analysis shows Kentucky's fiscal position to be sound.

When related to total resources and ability to pay, the total of Kentucky's obligations is well within the safety guidelines established by governmental finance experts.

In dealing with human resources, as each of the projects contained in the bond proposal do, we must realize the economy can be realized by acting, not by postponing our responsibilities. The people of Kentucky have indicated their increasing awareness and interest in the problems and the opportunities facing their government.

I am confident that the people can properly decide the course which they wish to follow. In asking that this question be answered at the ballot box, I can find no reasons why the Legislature should deny the people of Kentucky the privilege of expressing their judgment.

Representative King moved that **HB 395** be made a Special Order for 1:30 p.m., March 5, 1970.

On the roll call the vote was yeas 25—Baker, Bleemel, Dorris, Durham, Freeman, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Keith, Kessinger, King, Lewis, McKinney, Osborne, Rattliff, Reed, Sharpe, Swinford, Van Horn, Wells, Wenz, Yocom. Nays 49—Alexander, Bartley, Blandford, Blume, Blythe, A. Brown, E. G. Brown, H. Brown, Carroll, Carter, Clarke, Conn, Curlin, W. Davis, DeMarcus, Deskins, Graves, Holloway, Isler, Keene, Kenton, Kidd, Kleier, Knuckles, Lindsay, Lovins, McBrayer, McBride, McCann, Massey, May, Paxton, Peak, Prather, Priddy, R. Reynolds, T. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Simmons, Stuart, West, Wheeler, Wible, Wright, Wyatt.

The motion that **HB 395** be made a Special Order was rejected.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 365, HB 307** and **HB 185** had been examined and found correctly enrolled. **HB 365, HB 307** and **HB 185** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 99, HB 19, HB 255, HB 256 HB 365, HB 307 and **HB 185** delivered, signed by President. Ordered delivered to the Governor.

Motions, Petitions and Communications (Cont.)

Representative Lindsay filed an amendment to **SB 30.**

Representative Wyatt withdrew an amendment filed February 10, 1970, to **HB 216.**

Representative Wyatt filed an amendment to **HB 216.**

Representative Baker filed an amendment to **HB 388.**

Representative A. Brown moved the adoption of **HR 75.**

HR 75, A RESOLUTION honoring Representative W. Terry McBrayer.

WHEREAS, Representative W. Terry McBrayer has served in this House with honor and distinction since 1966; and

WHEREAS, since that time Representative McBrayer has been recognized by this House as an outstanding legislator; and

WHEREAS, this House took public notice of his ability in 1968 by naming him Speaker Pro Tem; and

WHEREAS, this House notes with pleasure that the Kentucky Jaycees have also recognized Representative McBrayer as one of Kentucky's Outstanding Young Men;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That this House of Representatives congratulates Terry McBrayer on this signal honor, and thanks him for his service to Kentucky, as a member of this House, and as a Kentuckian.

On the roll call the vote was yeas 92—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Clarke,

Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HR 75 was adopted and the title agreed to.

Orders of the Day

Representative McBrayer moved that consideration of **HB 65, HB 95, HJR 48, SB 115** be deferred and that they retain their position in Orders of the Day. Agreed.

HJR 28 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 82—Alexander, Allen, Arnett, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Carter, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Swinford, Tobin, Van Horn, Wells, Wenz, West, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HJR 28 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HJR 28** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 220 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 88—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBride, McCann, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 220 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 220** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 364, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Holloway moved the adoption of the Committee Substitute for **HB 364**. Agreed.

On the roll call the vote was yeas 90—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman,

Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 1—Bartley.

HB 364, by way of Committee Substitute, was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 364,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 198 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 92—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

SB 198 was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **SB 198** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative J. Hardin moved that consideration of **HR 61** and **HB 49** be deferred and that they retain their position in Orders of the Day. Agreed.

SB 139 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Freeman moved the adoption of the following Amendment No. 1 to **SB 139:**

Amend printed copy of Senate Bill 139 on page 3, line 27, by: adding the following section:

"Section 4. This act shall remain effective until June 30, 1972, at which time it shall expire if not sooner renewed."

On the roll call the vote was yeas 24—Alexander, Hershel Brown, Bruce, Freeman, John O. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keith, Kidd, McNamara, Miller, Parish, Reed, Rickert, Simmons, Swinford, Van Horn, Wells, West, Wyatt, Yocom. Nays 39—Allen, Arnett, Baker, Blandford, Blume, A. Brown, E. G. Brown, Carter, Clarke, Conn, W. Davis, Deskins, Dorris, Graves, L. Hardin, Holloway, Keene, Knuckles, Lindsay, McBrayer, McCann, Massey, May, Mershon, Mitchell, Murphy, Osborne, Paxton, Peak, Prather, Priddy, W. J. Reynolds, Roberts, Ruh, Sharpe, Stuart, Tobin, G. White, Wible.

Amendment No. 1 to **SB 139** was rejected.

Representative Huff moved the adoption of the following Amendment No. 2 to **SB 139:**

Amend printed copy of Senate Bill 139 on page 1, lines 5 & 6, by: striking the words *"where the original principal amount is in excess of Seventy-Five Hundred Dollars and"*

and on page 1, line 7, by striking the word *"nine"* and inserting in lieu thereof the word *"eight"*

and on lines 7 and 8, by striking the words *"where the principal amount is Seventy-Five Hundred Dollars or less"*

On the roll call the vote was yeas 19—Hershel Brown, Bruce, Freeman, John O. Hardin, Huff, Hughes, Keith, Kidd, Lovins, McKinney, McNamara, Parish, Priddy, Rickert, Simmons, Swin-

ford, Van Horn, Wells, West. Nays 40—Baker, Blandford, Bleemel, Blume, A. Brown, E. G. Brown, Carter, Clarke, Conn, Curlin, Deskins, Dorris, Graves, L. Hardin, Kenton, Kleier, Knuckles, Lewis, Lindsay, McBrayer, McCann, Massey, May, Mershon, Mitchell, Nett, Osborne, Paxton, Peak, Prather, Reed, W. J. Reynolds, Roberts, Ruh, Sharpe, Stuart, Tobin, G. White, Wible, Wyatt.

Amendment No. 2 to **SB 139** was rejected.

Representative J. Hardin moved the adoption of the following Amendment No. 3 to **SB 139:**

Amend printed copy of Senate Bill 139 on page 1, line 6, by: deleting the words *"Seventy-Five Hundred"* and inserting in lieu thereof the words *"Fifteen Thousand"*

and on page 1, line 7, by deleting the words *"nine per cent per annum"* and inserting in lieu thereof the words *"one-half of a percentage point higher than the latest published effective rate of the Federal Home Loan Bank Board on June 30 and December 31 of each year, for the periods July 1 — December 31 and January 1 — June 30, respectively,"*

and on page 1, line 8, by deleting the words *"Seventy-Five Hundred"* and inserting in lieu thereof the words *"Fifteen Thousand"*

On the roll call the vote was yeas 29—Alexander, Hershel Brown, Bruce, Clapp, Collins, Deskins, Donnermeyer, Freeman, Graves, John O. Hardin, Head, Huff, Hughes, Isler, Keith, McNamara, May, Miller, Murphy, Nett, Parish, Priddy, Ray, Rickert, Swinford, Van Horn, Wenz, West, Yocom. Nays 38—Arnett, Baker, Blandford, Blume, A. Brown, E. G. Brown, Carter, Clarke, Conn, Curlin, Dorris, Durham, L. Hardin, Keene, Kenton, Kleier, Knuckles, Lewis, Lovins, McBrayer, McCann, Massey, Mershon, Mitchell, Osborne, Paxton, Peak, Reed, W. J. Reynolds, Roberts, Ruh, Salyers, Sharpe, Stuart, Tobin, G. White, Wible, Wyatt.

Amendment No. 3 to **SB 139** was rejected.

Representative J. Hardin moved the adoption of the following Amendment No. 4 to **SB 139:**

Amend printed copy of Senate Bill 139 on page 1, line 7, by:

deleting the words *"nine per cent per annum"* and inserting in lieu thereof the words *"one-half of a percentage point higher than the latest published effective rate of the Federal Home Loan Bank Board on June 30 and December 31 of each year, for the periods July 1 – December 31 and January 1 – June 30, respectively,"*

Representative Freeman moved that **SB 139** be laid on the Clerk's desk. Rejected.

Representative J. Hardin requested that a roll call be taken on the adoption of Amendment No. 4 to **SB 139**.

On the roll call the vote was yeas 38—Alexander, Bleemel, Hershel Brown, Bruce, Clapp, Collins, Deskins, Donnermeyer, Floyd, Freeman, Graves, John O. Hardin, Hinkle, Huff, Hughes, Isler, Kessinger, Kidd, King, Kleier, Lewis, McKinney, McNamara, May, Miller, Murphy, Nett, Parish, Priddy, Ray, Russell Reynolds, Rickert, Simmons, Van Horn, Wenz, West, John E. White, Yocom. Nays 39—Arnett, Baker, Blandford, Blume, A. Brown, E. G. Brown, Carroll, Carter, Clarke, Conn, Curlin, W. Davis, Dorris, Durham, L. Hardin, Holloway, Keene, Kenton, Knuckles, Louden, McBrayer, McCann, Massey, Mershon, Mitchell, Osborne, Peak, Prather, Reed, T. Reynolds, W. J. Reynolds, Roberts, Ruh, Stuart, Tobin, Wheeler, G. White, Wible, Wyatt.

Amendment No. 4 to **SB 139** was rejected.

Representative Clapp moved that the House now recess and that when it adjourns it do so by voice vote.

On the roll call the vote was yeas 42—Alexander, Allen, Bartley, Blandford, Bleemel, Bruce, Clapp, Collins, James A. Davis, Walter Davis, Donnermeyer, Dorris, Floyd, Freeman, Graves, John O. Hardin, Hinkle, Huff, Hughes, Isler, Keith, Kessinger, King, Lewis, Louden, Lovins, McKinney, McNamara, Murphy, Parish, Rattliff, Ray, Salyers, Simmons, Swinford, Van Horn, Wells, Wenz, West, John E. White, Wright, Yocom. Nays 49—Arnett, Baker, Blume, Blythe, A. Brown, E. G. Brown, H. Brown, Carroll, Carter, Conn, Curlin, DeMarcus, Deskins, Durham, Haney, L. Hardin, Holloway, Keene, Kenton, Kidd, Kleier, Knuckles, Lindsay, McBrayer, McBride, McCann, Massey, May, Mershon, Mitchell, Nett, Osborne, Paxton, Peak,

Prather, Priddy, Reed, T. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Sharpe, Stuart, Tobin, Wheeler, G. White, Wible, Wyatt.

The motion that the House recess was rejected.

On the roll call the vote was yeas 49—Alexander, Arnett, Baker, Blandford, Blume, Edward G. Brown, Carroll, Carter, Clarke, Collins, Conn, Curlin, Dorris, Head, Hinkle, Holloway, Keene, Keith, Kenton, Kessinger, King, Kleier, Knuckles, Louden, McCann, Massey, May, Mershon, Mitchell, Murphy, Osborne, Peak, Reed, T. P. Reynolds, W. J. Reynolds, Roberts, Ruh, Salyers, Sharpe, Stuart, Tobin, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 24—Bartley, Bleemel, H. Brown, Bruce, Clapp, Donnermeyer, Freeman, J. Hardin, Huff, Hughes, Isler, Kidd, Lewis, Lovins, McBrayer, McKinney, Miller, Nett, Prather, Priddy, Ray, Rickert, Simmons, Van Horn.

SB 139 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **SB 139** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Van Horn filed five amendments to **HB 395.**

Senate Message

Announcing passage of **SB 232, SB 230, SB 194, SB 156, SB 169, HB 102, HB 165** and **HB 201.**

Representative McBrayer moved that when the House adjourns it do so by voice vote. Agreed.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Counties and Special Districts: **SB 30, SB 89.** (Room 401, March 3, 1970, on adjournment)

Judiciary: **HB 569, HB 554, HB 433, HB 596.** (Room 402, March 4, 1970, thirty minutes after adjournment)

State Government: **HB 338, HB 240, HB 379, HB 543, HB 453.** (Room 401, March 3, 1970, 10:45 a.m.)

Highways and Traffic Safety: **HB 484, HB 506, HB 536, HR 65.** (Room 401, March 4, 1970, on adjournment)

Appropriations and Revenue: **HB 386, HB 581, HB 601, HB 354.** (Room 402, March 3, 1970, on adjournment)

Banking and Insurance: **HB 609, HB 620, HB 621, HB 622.** (Room 402, March 3, 1970, 9:30 a.m.)

Labor and Industry: **HB 134, HB 135, HB 272, HB 298, HB 318, HB 334, HB 335, HB 508, HB 560, HB 561, HB 578, HB 580, SB 91.** (Room 401, March 3, 1970, 9:30 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

State Government: **HB 242, HB 244, HB 175, HB 176.**

Appropriations and Revenue: **HB 301.**

Labor and Industry: **HB 359.**

The Speaker announced **HB 499,** with Committee Amendment attached thereto, has been recommitted to the Committee on Judiciary.

Representative McBrayer moved that the Rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 654, by Representatives DeMarcus and Simmons: AN ACT relating to the prevention of the publication of names of juveniles who are victims in rape cases and witnesses in other cases of abuse.

HB 655, by Representative DeMarcus: AN ACT relating to the conduct of hearings in juvenile courts.

HB 656, by Representative DeMarcus: AN ACT relating to the right of appeal in juvenile court cases.

HB 657, by Representative DeMarcus: AN ACT relating to liability of parents and guardians for the torts of unemancipated minors in their custody.

HB 658, by Representatives Massey and Clapp: AN ACT relating to circuit court reporters.

HB 659, by Representatives Carter, Carroll, Baker and Lewis: AN ACT relating to municipal electric plants.

Representative Hughes moved that the House adjourn until 1:00 p.m., Tuesday, March 3, 1970. Agreed.

TUESDAY, MARCH 3, 1970

FORTY-FIFTH LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by Dr. Robert Insko, Episcopal Church of the Ascension, Frankfort.

The roll was called. All present except Representatives Bartley, Chapman and McGill.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of March 2, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 660, by Representative Salyers: AN ACT relating to firearms legislation by units of local government.

HB 661, by Representative Lewis: AN ACT relating to capital construction projects and general fund appropriations.

HB 662, by Representative Lewis: AN ACT relating to referral selling and lotteries.

HB 663, by Representative Lewis: AN ACT relating to prizes requiring an additional act or purchase.

HB 664, by Representative Lewis: AN ACT relating to corporations.

HB 665, by Representative Hinkle: AN ACT relating to certification of teachers and school personnel.

Report of Committees

The Committee on Labor and Industry reported **HB 298** with Committee Substitute attached thereto, **HB 318** with Com-

mittee Amendment attached thereto, **HB 578** and **SB 91** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 298, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.070 of the Kentucky Revised Statutes is amended to read as follows:

If death should result within two years from an accident for which compensation is payable under this chapter, or from an occupational disease, the employer or his insurer shall pay to the person entitled to compensation, or, if none, then to the personal representative of the deceased employe, reasonable burial expenses of a person of the standard of living of the deceased, not to exceed the sum of *one thousand* [five hundred] dollars, and shall also pay to or for the following persons compensation as follows:

(1) If there are one or more wholly dependent persons, sixty-six and two-thirds percent of the average weekly earnings of the deceased employe, all such payments to be made for the period between the date of death and *five hundred and twenty* [four hundred] weeks thereafter, subject to the limitations contained in subsections (4) and (5) of this section, or until the intervening termination of dependency.

(2) (a) If there are partly dependent persons, the payments shall be such part of what would be payable for total dependency as the partial dependency existing at the time of the accident or after the date his disability from an occupational disease began to the employe is proportionate to total dependency, and all such payments to be made for the period between the date of death and *five hundred and twenty* [four hundred] weeks thereafter, subject to the limitations contained in subsections (4) and (5) of this section, or until the intervening termination of dependency.

(b) Partial dependency shall be determined by the proportion of the earnings of the employe which have been contributed

to such partial dependent during one year next preceding the date of injury or after the date his disability from an occupational disease began; if the relation of partial dependency did not exist for one year next preceding the date of injury, the board shall consider all the facts and circumstances and fix such proportion as is fair and reasonable thereunder.

(3) All relations of dependency referred to in this section shall mean dependency existing at the time of the accident to the employe or at the time his disability from an occupational disease began.

(4) If death occurs as a result of the injury or an occupational disease after a period of total or partial disability, the period of disability shall be deducted from the total period of compensation and the benefits paid thereunder from the maximum allowed for death by this section.

(5) The minimum weekly benefits payable for death under this section shall be twenty-five percent [of eighty-five percent] of the average weekly wage of the state as determined under KRS 342.143 and the maximum weekly benefits payable for death under this section shall be fifty percent [of eighty-five percent] of the average weekly wage of the state as determined under KRS 342.143.

Section 2. Section 342.095 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the injury or occupational disease causes total disability for work, the employer, during such disability, except for the first seven days thereof, shall pay the employe a weekly compensation equal to sixty-six and two-thirds percent of his average weekly earnings, such payments to be made during the period of total disability but not longer than *five hundred and twenty* [four hundred twenty-five] weeks after the date of the injury, or after the date his disability from an occupational disease began. If the period of total disability begins after a period of partial disability, the period of partial disability shall be deducted from the total period of *five hundred and twenty* [four hundred twenty-five] weeks during which compensation for total disability may be payable.

(2) The maximum basic weekly income benefit for total

disability shall not exceed fifty-five percent [of eighty-five percent] of the average weekly wage of the state, computed as provided in KRS 342.140(2) and rounded to the nearest dollar. The minimum basic weekly income benefit for total disability shall not be less than twenty-five percent [of eighty-five percent] of the average weekly wage of the state, computed as provided in KRS 342.140(2) and rounded to the nearest dollar.

(3) Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it destroys a workman's general ability to labor or precludes him from obtaining the kind of work he is customarily able to do.

(4) In case of the following injuries or disabilities from occupational disease the disability shall be considered total and permanent:

(a) The total permanent loss of sight in both eyes;

(b) The loss of both feet at or above the ankle;

(c) The loss of both hands at or above the wrist;

(d) A similar loss of one hand and one foot;

(e) A similar loss of one hand and one eye;

(f) A similar loss of one foot and one eye;

(g) A disability to the spine, resulting in permanent and complete paralysis of both arms or both legs, or one arm and one leg;

(h) A disability to the skull resulting in incurable insanity or imbecility.

(5) The enumeration in subsection (4) is not exclusive, but in all other cases the burden of proof shall be on the claimant to prove that his injuries or disability resulting from an occupational disease have resulted in permanent total disability.

Section 3. Section 342.100 of the Kentucky Revised Statutes is amended to read as follows:

(1) In case of an injury or disability from an occupational disease resulting in temporary partial disability, the employe shall receive during such disability, except the first seven days thereof, a weekly compensation equal to sixty-six and two-thirds per-

cent of the difference between his average weekly earnings before the injury or disability from an occupational disease and the average weekly earnings that he earns, or is able to earn, in some suitable employment during such disability, not to exceed *five hundred and twenty* [four hundred] weeks from the date of injury, or from the date his disability from an occupational disease began.

(2) The maximum basic weekly income benefits for temporary partial disability shall not exceed fifty percent [of eighty-five percent] of the average weekly wage of the state, computed as provided by KRS 342.140(2) and rounded to the nearest dollar.

(3) If partial disability follows a period of total disability, the period of total disability shall be deducted from the maximum period allowed for partial disability.

Committee Substitute, HB 298, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.070 of the Kentucky Revised Statutes is amended to read as follows:

If death should result within two years from an accident for which compensation is payable under this chapter, or from an occupational disease, the employer or his insurer shall pay to the person entitled to compensation, or, if none, then to the personal representative of the deceased employe, reasonable burial expenses of a person of the standard of living of the deceased, not to exceed the sum of *one thousand* [five hundred] dollars, and shall also pay to or for the following persons compensation as follows:

(1) If there are one or more wholly dependent persons, sixty-six and two-thirds percent of the average weekly earnings of the deceased employe, all such payments to be made for the period between the date of death and four hundred *fifty* weeks thereafter, subject to the limitations contained in subsections (4) and (5) of this section, or until the intervening termination of dependency.

(2) (a) If there are partly dependent persons, the payments shall be such part of what would be payable for total dependency as the partial dependency existing at the time of the accident or after the date his disability from an occupational disease began to the employe is proportionate to total dependency, and all such payments to be made for the period between the date of death and four hundred *fifty* weeks thereafter, subject to the limitations contained in subsections (4) and (5) of this section, or until the intervening termination of dependency.

(b) Partial dependency shall be determined by the proportion of the earnings of the employe which have been contributed to such partial dependent during one year next preceding the date of injury or after the date his disability from an occupational disease began; if the relation of partial dependency did not exist for one year next preceding the date of injury, the board shall consider all the facts and circumstances and fix such proportion as is fair and reasonable thereunder.

(3) All relations of dependency referred to in this section shall mean dependency existing at the time of the accident to the employe or at the time his disability from an occupational disease began.

(4) If death occurs as a result of the injury or an occupational disease after a period of total or partial disability, the period of disability shall be deducted from the total period of compensation and the benefits paid thereunder from the maximum allowed for death by this section.

(5) The minimum weekly benefits payable for death under this section shall be twenty-five percent of eighty-five percent of the average weekly wage of the state as determined under KRS 342.143 and the maximum weekly benefits payable for death under this section shall be fifty percent of eighty-five percent of the average weekly wage of the state as determined under KRS 342.143.

Section 2. Section 342.095 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the injury or occupational disease causes total disability for work, the employer, during such disability, except

for the first seven days thereof, shall pay the employe a weekly compensation equal to sixty-six and two-thirds percent of his average weekly earnings, such payments to be made during the period of total disability but not longer than four hundred *seventy-five* [twenty-five] weeks after the date of the injury, or after the date his disability from an occupational disease began. If the period of total disability begins after a period of partial disability, the period of partial disability shall be deducted from the total period of four hundred *seventy-five* [twenty-five] weeks during which compensation for total disability may be payable.

(2) The maximum basic weekly income benefit for total disability shall not exceed fifty-five percent of eighty-five percent of the average weekly wage of the state, computed as provided in KRS 342.140 (2) and rounded to the nearest dollar. The minimum basic weekly income benefit for total disability shall not be less than twenty-five percent of eighty-five percent of the average weekly wage of the state, computed as provided in KRS 342.140 (2) and rounded to the nearest dollar.

(3) Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it destroys a workmen's general ability to labor or precludes him from obtaining the kind of work he is customarily able to do.

(4) In case of the following injuries or disabilities from occupational disease the disability shall be considered total and permanent:

(a) The total permanent loss of sight in both eyes;

(b) The loss of both feet at or above the ankle;

(c) The loss of both hands at or above the wrist;

(d) A similar loss of one hand and one foot;

(e) A similar loss of one hand and one eye;

(f) A similar loss of one foot and one eye;

(g) A disability to the spine, resulting in permanent and complete paralysis of both arms or both legs, or one arm and one leg;

(h) A disability to the skull resulting in incurable insanity or imbecility.

(5) The enumeration in subsection (4) is not exclusive, but in all other cases the burden of proof shall be on the claimant to prove that his injuries or disability resulting from an occupational disease have resulted in permanent total disability.

Section 3. Section 342.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) A claimant may in the original application for benefits, or either party may by motion while the case is pending, [accompanied by proper allegations,] and the board shall upon its own motion at any time before the rendition of the final award, cause the Special Fund to be made a party to the proceedings if either or both of the following appears:

(a) The employe is disabled, whether from a compensable injury, occupational disease, pre-existing disease *congenital condition*, or otherwise, and has received a subsequent compensable injury by accident, or has developed an occupational disease;

(b) The employe is found to have a dormant non-disabling disease *or congenital* condition which was aroused or brought into disabling reality by reason of a subsequent compensable injury by accident or an occupational disease.

(2) When the Special Fund has been made a party the board shall direct the procedures provided in KRS 342.121.

(3) If it is found that the employe is a person mentioned in subsection (1) (a) or (b) and a subsequent compensable injury or occupational disease has resulted in additional permanent disability so that the degree of disability caused by the combined disabilities is greater than that which would have resulted from the subsequent injury or occupational disease alone, and the employe is entitled to receive compensation on the basis of the combined disabilities, the employer shall be liable only for the degree of disability , *if any*, which would have resulted from the latter injury or occupational disease had there been no pre-existing disability or dormant, but aroused *disease or congenital* [diseased] condition.

(4) The remaining compensation for which such resulting

condition would entitle the employe, including any compensation for disability resulting from a dormant disease *or congenital condition* aroused into disabling reality by the injury or occupational disease, but excluding all compensation which the provisions of this chapter *has afforded on account of the prior disability* [would have afforded on account of prior disabling disease or injury had it been compensated thereunder,] shall be paid out of the Special Fund provided for in [subsection (1) of] KRS 342.122. Such remaining compensation shall be paid directly to the employe by the carrier or self-insured employer who is liable for compensation under subsection (3) of this section, and the carrier or self-insured employer shall be reimbursed for such payments from the Special Fund on a quarterly basis and under such regulations as the board may provide for such purpose.

Section 4. Section 342.316 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Occupational disease" as used in this chapter means a disease arising out of and in the course of the employment. Ordinary diseases of life to which the general public is equally exposed outside of the employment shall not be compensable, except where such diseases follow as an incident of an occupational disease as defined in this section.

(a) A disease shall be deemed to arise out of the employment only if there is apparent to the rational mind, upon consideration of all the circumstances, a direct causal connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident to the work as a result of the exposure occasioned by the nature of the employment and which can be fairly traced to the employment as the proximate cause, and which does not come from a hazard to which workmen would have been equally exposed outside of the employment. The disease shall be incidental to the character of the business and not independent of the relationship of employer and employe. The disease need not have been foreseen or expected but, after its contraction, it must appear to have had its origin in a risk connection with the employment and to have flowed from that source as a rational consequence.

(b) "Injurious exposure" as used in this section shall mean that exposure to occupational hazard which would, independently of any other cause whatsoever, produce or cause the disease for which claim is made.

(2) The procedure with respect to the giving of notice and as to the filing of claims and determination thereof in occupational disease cases and the compensation and medical benefits payable for disability or death due to such disease shall be the same as in cases of accidental injury or death under the general provisions of this chapter except that notice of claim shall be given to the employer as soon as practicable after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted such disease, or a diagnosis of such disease if first communicated to him, whichever shall first occur.

(3) The right to compensation under this chapter for disability resulting from an occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within one year after the last injurious exposure to the occupational hazard or after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted the disease, whichever shall last occur; and if death results from the occupational disease within said period, unless a claim therefor be filed with the Workmen's Compensation Board within one year after such death; provided, however, that notice of such claim shall be deemed waived in case of disability or death where the employer, or his insurance carrier, voluntarily makes payment therefor, or, if the incurrence of the disease or the death of the employe, and its cause was known to the employer. Provided, however, that the right to compensation for any occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within five years from the last injurious exposure to the occupational hazard, except that, in cases of radiation disease, a claim must be filed within ten years from the last injurious exposure to the occupational hazard.

(4) In claims for compensation due to the occupational disease of silicosis or any other compensable pneumoconiosis

it must be shown that the employe was exposed to the hazards of the disease in his employment within this state for at least two years immediately next before his disability or death.

(5) The amount of compensation payable for disability due to occupational disease or for death from such disease, and the time and manner of its payment, shall be the same as provided for accidental injury or death under the general provisions of the Workmen's Compensation Act, but in no event to exceed such amounts as were in effect at the time of the last injurious exposure, and provided further, that the time of the beginning of compensation payments shall be the date of the employe's last injurious exposure to the cause of the disease, or the date of actual disability, whichever is later, and provided further, that in case of death where the employe has been awarded compensation or made timely claim within the period provided for in this section, an employe has suffered continuous disability to the date of his death occurring at any time within ten years from the date of disability, his dependents, if any, shall be awarded compensation for his death as provided for under the general provisions of the Workmen's Compensation Act and in this section.

(6) In case of disability or death from silicosis, or any other compensable pneumoconiosis, complicated with tuberculosis of the lungs, compensation shall be payable as for the uncomplicated disease, provided, however, that the disease was an essential factor in causing such disability or death.

(7) If an autopsy has been performed, no testimony relative thereto shall be competent unless the employer or his representative and a representative of the deceased employe shall have participated therein or been given reasonable opportunity to do so.

(8) No compensation shall be payable for occupational disease if the employe at the time of entering the employment of the employer by whom compensation would otherwise be payable, falsely represented himself, in writing, as not having been previously disabled, laid off, or compensated in damages or otherwise, because of such disease, or failed or omitted truthfully to state to the best of his knowledge, in answer to written inquiry made by the employer, the place, duration and nature

of previous employment, or, to the best of his knowledge, the previous state of his health.

(9) Where an occupational disease is aggravated by other disease or infirmity not itself compensable, or where disability or death from any other cause not itself compensable, is aggravated, prolonged, accelerated or in anywise contributed to by occupational disease the compensation payable shall be reduced and limited to such proportion only of the compensation that would be payable if occupational disease were the sole cause of the disability or death as such occupational disease, as a causative factor, bears to all causes of such disability or death, such reduction in compensation to be affected by reducing the number of weekly or monthly payments or the amount of such payments as under the circumstances of the particular case may be for the best interests of the claimant or claimants.

(10) No compensation for death from occupational disease shall be payable to any person whose relationship to the deceased, which, under the provisions of this chapter would give right to compensation, arose, subsequent to the beginning of the first compensable disability, save only to after-born children of a marriage existing at the beginning of such disability.

(11) Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the general provisions of this chapter and it is subsequently discovered, at any time before the final disposition of such cause, that the claim for injury, disability or death which was the basis for such application should properly have been made under the provisions of this section, then the application so filed may be amended in form or substance, or both, to assert a claim for such injury, disability or death under the provisions of this section, and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant to the provisions of this chapter. When such amendment is submitted, further or additional evidence may be heard by the board when deemed necessary. Nothing this section contains shall be construed to be or permit a waiver of any of the provisions of this chapter with reference to notice of time for filing of a claim, but notice of filing a claim, if given or done, shall be deemed to be a notice

of filing of a claim under provisions of this chapter, if given or done within the time required herein.

(12) When an employe has an occupational disease that is covered by this chapter, the employer in whose employment he was last injuriously exposed to the hazard of the disease, and the employer's insurance carrier, if any, at the time of the exposure, shall alone be liable therefor, without right to contribution from any prior employer or insurance carrier; except as otherwise provided herein.

(13) (a) The employer liable for compensation for occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, shall be the employer in whose employment the employe was last exposed to the hazard of such occupational disease during a period of six months or more. In those cases where disability or death are not conclusively proven to be the result of such last exposure all *the* compensation *awarded* shall be paid *by the carrier or self-insured employer, and the carrier or self-insured employer shall be reimbursed with respect to the claims filed during the fiscal year beginning July 1, 1970 for 50 percent of such payments by the Special Fund on a quarterly basis and under such regulations as the board may provide for such purpose. For such claims filed during the fiscal year beginning July 1, 1971, such reimbursement shall amount to 25 percent of such payment, for claims made thereafter no reimbursement shall be made from said Fund.* [out of the Special Fund.] In all other cases of occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, the compensation for disability or death due to such diseases shall be paid jointly by the employer and the Special Fund, and the employer shall be liable for sixty percent of the compensation due and the Special Fund shall be liable for forty percent of the compensation due *for claims filed during the fiscal year beginning July 1, 1969, and for claims filed during the fiscal year beginning July 1, 1970, the employer shall be liable for 80 percent of the compensation due and the Special Fund for 20 percent. No reimbursement*

from the Special Fund shall be made for claims filed thereafter. [Provided, however, that when there is a joint award against the carrier or self-insured employer and the Special Fund under this section, all of the compensation awarded shall be paid by the carrier or self-insured employer, and the carrier or self-insured employer shall be reimbursed for such payments from the Special Fund on a quarterly basis and under such regulations as the board may provide for such purpose.]

(b) In all claims for compensation partially payable by the Special Fund the Commissioner of Labor, as custodian of said fund, shall be designated as co-defendant.

(c) In all agreements for the payment of compensation and awards the amount payable by the employer and the amount payable out of the Special Fund shall be separately stated. An award against the employer shall be for only the percentage of the total compensation which the employer is obligated to pay. A separate award shall be made against the Special Fund for the balance of the compensation payable. Nothing in this section shall prohibit the Commissioner of Labor, as custodian of the Special Fund, from entering into agreements to pay the compensation for which it is liable; provided, however, that where compensation is payable by both the employer and the Special Fund, the commissioner shall not enter into an agreement unless the employer is a party to the agreement.

HB 318, AN ACT relating to seizure of property under legal process and exemptions therefrom.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 427 of the Kentucky Revised Statutes is created to read as follows:

As used in KRS Chapter 427:

(1) The term "earnings" means compensation paid or payable for personal services, whether denominated as wages, salary, commission, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement program.

(2) The term "disposable earnings" means that part of the earnings of any individual remaining after the deduction

from those earnings of any amounts required by law to be withheld.

(3) The term "garnishment" means any legal or equitable procedure through which the earnings of any individual are required to be withheld for payment of any debt.

Section 2. Section 427.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) The following personal property of a person [or with a family or head of household] resident in this state is exempt from execution, attachment, garnishment, distress or fee-bill: All household furnishings *and personal clothing* not to exceed fifteen-hundred dollars in value; [and] tools, equipment and livestock, including poultry, of a person engaged in farming, not exceeding fifteen-hundred dollars in value; [are exempt from execution, attachment, garnishment, distress or fee-bill;] one motor vehicle and its necessary accessories, including one spare tire, *not exceeding in the aggregate fifteen hundred dollars in value,* of a person engaged in farming or *of* a person who uses *such motor vehicle* [his car] in his employment, or traveling to and from his place of employment [is exempt from execution, attachment, garnishment, distress or fee-bill].

(2) Except as provided in subsection (3) and KRS 427.050, the maximum part of the aggregate disposable earnings of an individual for any workweek which is subjected to garnishment may not exceed the lesser of either:

(a) 25 per centum of his disposable earnings for that week, or

(b) the amount by which his disposable earnings for that week exceed thirty times the Federal minimum hourly wage prescribed by section 6 (a) (1) of the Fair Labor Standards Act of 1938 in effect at the time the earnings are payable.

In the case of earnings for any pay period other than a week, the multiple of the Federal minimum hourly wage equivalent to that set forth in subsection (2) (b) as prescribed by regulation by the Federal Secretary of Labor shall apply.

[Wages, salaries, and other income from labor: Of net wages,

net salary, net commission or net income of every such person, when earned by labor the following percentages shall be exempt from attachment: 75 percent of all in any pay period except if the judgment to be collected is for the furnishing of necessities and the verified complaint judgment and order of attachment so state then only 50 percent of all earnings in any pay period shall be exempt.]

(3) *The restrictions of subsection (2) do not apply in the case of:*

(a) any order of any court for the support of any person.

(b) any order of any court of bankruptcy under chapter XIII of the Bankruptcy Act.

(c) any debt due for any state or Federal tax.

[Necessities as used in this section shall be limited to articles of food, clothing (including shoes), medicine, medical services, drugs, rent, public utilities, furniture and household appliances.]

Section 3. A new section of Chapter 427 of the Kentucky Revised Statutes is created to read as follows:

No employer may discharge any employee by reason of the fact that his earnings have been subjected to garnishment for any one indebtedness.

Section 4. Section 427.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) The law of the state wherein wages are earned and payable relating to exemptions shall apply to all garnishments served in the State of Kentucky, except that Kentucky law shall exclusively apply

(a) where the defendant was personally served with process in the State of Kentucky, or

(b) where the defendant was a bona fide resident of the State of Kentucky when the subject debt arose, or

(c) where the defendant was a bona fide resident of the State of Kentucky when the cause of action arose.

(2) Where the law of a state other than Kentucky applies

to a particular garnishment, the garnishee may plead such exemption law.

[Wages earned and payable out of this state are exempt from attachment or garnishment if the cause of action arose out of this state. The garnishee in such case shall plead the exemption, unless the defendant is actually served with process.]

Section 5. Section 425.185 of the Kentucky Revised Statutes is amended to read as follows:

The plaintiff may, at or after the commencement of an action, having an attachment against the property of the defendant, including garnishees as is provided in KRS 425.325, as a security for the satisfaction of such judgment as may be recovered:

(1) In an action for the recovery of money against:

(a) A defendant who is a foreign corporation or nonresident of the state; or

(b) Who has been absent herefrom four months; or

(c) Has departed herefrom with intent to defraud his creditors; or

(d) Has left the county of his residence to avoid the service of a summons; or

(e) So conceals himself that a summons cannot be served upon him; or

(f) Is about to remove, or has removed, his property, or a material part thereof, out of this state, not leaving enough therein to satisfy the plaintiff's claim, or the claims of said defendant's creditors; or

(g) Has sold, conveyed, or otherwise disposed of, his property, or suffered or permitted it to be sold, with the fraudulent intent to cheat, hinder or delay his creditors; or

(h) Is about to sell, convey, or otherwise dispose of, his property, with such intent. But an attachment shall not be granted on the ground that the defendant is a foreign corporation, or a nonresident of this state, for any claim other than a debt or demand arising upon a contract, express or implied, or a judgment or award.

(2) In an action for the recovery of money due upon a

contract, judgment or award, if the defendant have no property in this state subject to execution, or not enough thereof to satisfy the plaintiff's demand, and the collection of the demand will be endangered by delay in obtaining judgment or a return of no property found;

(3) In an action to recover the possession of personal property which has been ordered to be delivered to the plaintiff, and which property, or part thereof, has been disposed of, concealed, or removed, so that the order for its delivery cannot be executed by the sheriff.

(4) Where the property sought to be attached prior to judgment is earnings, as defined in subsection (1) of Section 1 of this Act, the person seeking the order of attachment or garnishment must first make a demand in writing, by delivering such demand to the debtor or by sending it to him by registered or certified mail, return receipt requested, to his last known place of residence, at least 7 and not more than 60 days before such order is sought. The demand shall contain a statement in substance that the debtor has 7 days in which to petition the court for a hearing or in which to pay the claim in full, and that unless a hearing is set or the claim paid, an order of attachment or garnishment will be sought to subject his earnings to payment of the claim. The statement shall identify the court in which the suit has been filed, the grounds therefor, the date of the demand, the amount of the claim, and the name and address of the plaintiff and his attorney. An affidavit of the plaintiff or his attorney evidencing compliance with this section shall be filed before an order of attachment or garnishment shall be issued.

Section 6. Section 425.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person in whose favor a final judgment in personam has been entered in any court of record of this state may, upon *the* filing *of an* affidavit *by him or his agent or attorney* in the office of the clerk of the court in which the judgment was entered, and in the same cause in which said judgment was obtained showing the date of the judgment and the amount due thereon, and that one or more named persons hold property belonging to, or are indebted to, the judgment debtor, obtain an

order of garnishment directed to the sheriff, with as many copies as the plaintiff may direct, requiring him to summon the garnishees named in the affidavit to answer in the manner and at the time required for an answer by the Rules of Civil Procedure, and to make due return thereof. The order shall be made returnable as an order of arrest is directed to be returned.

(2) The judgment plaintiff shall not be required to execute bond to obtain the order.

(3) The order of garnishment shall be served on the persons named as garnishees in the manner provided in subsection (3) of KRS 425.225, and in addition a copy thereof shall be *delivered by the garnishee to the judgment debtor or mailed to him at his last known address* [served on the judgment debtor].

(4) The judgment debtor may, on the return day, appear and claim the exemption of any property or debt that is exempt from execution, and on proof of exemption the garnishment shall be discharged as to the exempt property or debt.

(5) If the court finds that the garnishee was, at the time of service of the order upon him, possessed of any property of the judgment debtor, or was indebted to him, and the property or debt is not exempt from execution, the court shall order the property or the proceeds of the debt applied upon the judgment.

(6) Subsequent orders of garnishment against the same or other garnishees may be issued in the same manner until the judgment is satisfied.

(7) The provisions of KRS *Chapter 427* [427.010 to 427.130] and KRS *425.210* [425.215] to 425.520 shall, as far as applicable, govern proceedings under the order.

Section 7. Section 425.210 of the Kentucky Revised Statutes is amended to read as follows:

[The order of attachment shall be in triplicate and addressed to the employer and shall have printed thereon the following information:]

(1) An order of attachment or garnishment of earnings, as defined in subsection (1) of Section 1 of this Act shall create a lien on all non-exempt earnings earned during the pay period in

which the order is served on the employer, and, where the pay period is for a period of less than two weeks, or where the employee has been paid in advance for the pay period in which the order is served, also on all non-exempt earnings earned during the next succeeding pay period.

[(1) That all persons earning net wages, net salaries and other net incomes from labor shall be entitled to exemption:]

(2) Orders of attachment or garnishment of earnings shall have priority according to the date of service on the employer, each inferior order taking effect as if served at the commencement of the next succeeding pay period not subject to a prior order; provided that no creditor shall cause two orders to be served on the employer against the same employee in the same pay period.

[(2) The percentage of net wages and other net income that is to be paid to the employe and the percentage to be forwarded to the court;]

(3) The order shall be served on the employer in triplicate and shall have printed thereon an explanation of subsections (1) and (2), the percentage of the disposable earnings, as defined in subsection (2) of Section 1 of this Act, exempted from the order by KRS 427.010 (2), and the percentage to be forwarded to the court.

[(3) That net wages, net salaries or other net income shall consist of the total amount due as of the end of the employer's pay period during which the attachment or levy of execution is served less amounts withheld for taxes and fees due federal, state, and local governments, union dues, medical insurance and retirement programs.]

(4) The order shall have printed thereon the following directions to the employer:

(a) That a copy of the order shall be delivered to the employee, a copy retained by the employer for his records, and a copy returned by the employer to the court.

(b) that on the reverse side of the court copy shall be stated, under oath by the employer, the gross amount of earnings and the non-exempt amount of disposable earnings

for the designated pay period subject to the order. If no funds are due, the reasons therefor shall be given.

(c) that the court copy of the order and the non-exempt amount of disposable earnings shall be forwarded to the court.

[(4) Directions that a copy of the attachment shall be delivered to the employe, a copy retained for the employer's records and the third copy shall be returned to the court;]

[(5) That the net amount due the employe shall be endorsed on the reverse side of the court copy of the attachment and shall be forwarded to the court along with the amount attached;]

[(6) That if no funds are due this fact shall be stated on the court copy of the attachment together with the reason why no funds are due.]

Section 8. A new section of Chapter 425 of the Kentucky Revised Statutes is created to read as follows:

The order of attachment or garnishment shall be directed and delivered to the sheriff, with as many copies thereof as the plaintiff may direct. It shall require him to attach and safely keep the property of the defendant in his county not exempt from execution, or so much thereof as will satisfy the plaintiff's claim specified in his affidavit, which shall be stated in the order, and the probable costs of the action; also to summon the garnishees to answer in the action in the manner and at the time required for an answer by the Rules of Civil Procedure, and to make due return thereof.

Section 9. A new section of Chapter 427 of the Kentucky Revised Statutes is created to read as follows:

Whoever willfully violates Section 3 of this Act shall be fined not more than $1,000, or imprisoned not more than one year, or both.

The Committee Amendment to **HB 318** is as follows:

Amend printed copy of House Bill 318 on page 6, line 7, by: inserting after the word *"writing,"* the words *"at or after the time the suit is filed,"*

HB 578, AN ACT relating to private employment services.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 340 of the Kentucky Revised Statutes is created to read as follows:

The purpose of this Act is to provide for the licensing, regulation and inspection of employment services, for the protection of the individual job seeker in his search for employment or a better position, when as a part of that search he utilizes the services preoffered by an employment service.

Section 2. A new section of Chapter 340 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context requires otherwise:

(1) "Employment service" means any person or organization that offers or agrees to furnish or assist in furnishing employment engagements for help, information, or service concerning or purporting to affect employment for remuneration, except that it does not include bona fide educational, religious, charitable, fraternal or benevolent organizations in which no charge is made for service rendered other than the ordinary membership dues and assessments for their members, bona fide labor organizations undertaking to secure employment for their members without cost to the applicant employees, nurses' registries, temporary help services, or agencies operated in conjunction with a bona fide educational institution;

(2) "Employer" means an individual, firm, corporation, partnership or association employing or seeking to enter into an arrangement to employ an individual through the medium or service of an employment service;

(3) "Applicant" means an individual seeking or entering into any arrangement for employment or change of employment through the medium or service of an employment service;

(4) "Person" means any individual, partnership, or corporation and his or its employes;

(5) "Board" means the State Board of Private Employment Services.

Section 3. A new section of Chapter 340 of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby established a State Board of Private Employment Services which shall consist of the Commissioner of Labor and six persons to be appointed by the Governor. Four members of the Board shall be persons, who, for the last two years next preceding the date of their appointment shall have occupied executive or managerial positions with a private employment service in Kentucky. These four appointments shall be made from a list of two names for each position submitted by the Kentucky Association of Private Employment Services, and the list may include the name of any person who meets the requirements of this section. Two members of the Board shall represent the public. They shall be engaged in commerce or industry and shall be appointed at large. These two members shall not be presently employed or engaged in, or have a financial interest in the operation of an employment service.

(2) The terms of office of the six members of the Board first appointed shall be as follows: two shall serve for one year, two shall serve for two years, and two shall serve for three years. Upon expiration of each of the respective terms of the members first appointed, the term of each successor shall be three years and until his successor shall be appointed and take office.

(3) The members of the Board shall elect one of their number as chairman. The Board is authorized to employ and fix the compensation of all personnel, including legal counsel, required by it for the administration of the provisions of this chapter. The Board shall have the power to make all rules and regulations, consistent with the provisions of this chapter, as may be necessary to carry out the provisions and purposes of this chapter. The Board shall hold meetings at least twice a year and as frequently as it deems necessary at such times and places as the Board may designate, and the majority of the members shall constitute a quorum.

(4) The Board may sue and be sued in its own name. If the Board should require additional legal counsel, it shall be furnished by the Department of Labor.

(5) The Board shall administer the provisions of law per-

taining to the licensing, conduct, operation, location, maintenance and establishment of private employment services, and the activities of agents thereof.

(6) The members of the Board shall receive no compensation for their services, but shall be paid their necessary travel and other expenses while employed upon business of the Board.

Section 4. A new section of Chapter 340 of the Kentucky Revised Statutes is created to read as follows:

(1) No person shall engage in the business of an employment service unless he first obtains a license from the Board. Any person who shall engage in the business of or act as an employment service without first procuring such a license shall be guilty of a misdemeanor and punished by a fine of not less than $50 nor more than $1,000, or by imprisonment for a period not to exceed 90 days, or both.

(2) Every person desiring to obtain an employment service license must submit to the Board with his application for license the sum of $250. Upon renewal the license fee shall be $125. All employment agencies licensed on the effective date of the Act shall continue in force until the natural expiration thereof.

Section 5. A new section of Chapter 340 of the Kentucky Revised Statutes is created to read as follows:

(1) The application for license hereunder shall be on a form supplied by the Board and shall include the following information:

(a) The name and address of the individual, partnership or corporation that will be operating the employment service.

(b) The name under which the business will be operated and the location.

(c) The name and address of the owner, partners, or principal officers and stockholders owning 10% of a corporation together with their employment history for the last five years.

(d) Two references to substantiate the good moral character and business integrity of each person referred to in paragraph (c) of this subsection. These may be either previous employers,

business or financial references, clergymen or any combination thereof.

(e) A statement signed by each individual listed in paragraph (c) of this subsection certifying that he had read and fully understands this Act, or has had read to him and fully understands this Act.

(f) A penal bond in the amount of $1,000 in favor of this state, or other security in an amount equal to $1,000 in a form acceptable to the Board.

(g) A copy of the application for employment, if any, required of an applicant to be completed when applying to the employment service.

(h) The contract or agreement, if any, that an applicant may be required to sign upon making application to an employment service.

(i) The schedule of service charges to be paid by applicants for the services rendered by the employment service.

All applications, contracts and schedule of service charges submitted pursuant to this section may be changed by filing such change with the Board 30 days prior to the effective date of such change.

(2) Any licenses granted hereunder are transferrable providing the new licensee meets the requirements of this Act.

(3) Every employment services' office shall be maintained and conducted in an orderly, clean and sanitary manner, and the location may not be changed without notifying the Board.

(4) The license issued pursuant to this Act together with a copy of this Act shall be posted in a conspicuous place in the reception area of the employment service.

(5) (a) Each employment service shall keep on file the application, and agreement, if any, of each applicant for at least one year after the date of the application and agreement.

(b) Each employment service shall keep an accurate record of the business transactions of its office on forms approved by the Board and report such of its transactions to the Commissioner of Labor as may be required by the Board.

Section 6. A new section of Chapter 340 of the Kentucky Revised Statutes is created to read as follows:

No employment service shall:

(1) Publish or cause to be published any false, fraudulent or misleading information, representation notice or advertisement.

(2) Charge a registration fee.

(3) Accept an advance or deposit prior to the applicant's acceptance of a position as defined under this Act.

(4) Direct an applicant to an employer for the purpose of obtaining employment without having first obtained a bona fide order thereof; however, a qualified applicant may be directed to an employer who has previously requested that he regularly be accorded interviews with applicants of certain qualifications. This shall not prevent an employment service from attempting to sell the services of an applicant to an employer from whom no job order has been received.

(5) Require of a job applicant a service charge greater than those contained in the schedule of service charges on file with the Board.

(6) Require a service charge from the applicant until he has been offered and accepted employment with a company to which he has been referred by the employment service. Acceptance of employment shall be deemed to occur when the applicant and employer have agreed to a mutually acceptable starting salary, and any other remuneration, and a mutually agreeable starting date.

(7) Knowingly send or direct an applicant for employment to any fictitious job or position or knowingly make any false representation concerning any matter within the scope of the business of the employment service. The nonexistence of such job or position or the falsity of any such representation shall be prima facie evidence of the violation of this section.

(8) Knowingly send an applicant for employment to any place where a strike or any labor trouble exists or is pending without first notifying the applicant of that condition in writing. Sending an applicant uninformed to such a locality shall constitute prima facie evidence of the violation of this section.

(9) Knowingly circulate any false or misleading information or make any false statement or misrepresentation to any person seeking employment or to any employer seeking an employee.

(10) Agree with any employer or his agent or employe to secure the discharge of an employe; nor shall an employer or anyone in his employ or representing it, give or receive any gratuity, divide, or offer to divide, or share directly or indirectly, any compensation received from an applicant for employment.

(11) Make any false entry or statement in any report to the department or in any record, receipt or other document used in the business.

Section 7. A new section of Chapter 340 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person aggrieved by the service charges, conditions or circumstances of placement service charges or services provided by a licensee, or prospective applicant for a license, may make a written complaint to the Board.

(2) All hearings held by the Board shall be open to the public.

(3) The Board may suspend or revoke a license or may refuse to grant or renew a license only after a hearing of which the applicant or the holder of the license has been given adequate notice by mailing a copy of the notice by certified or registered mail within seven days of the receipt thereof and at least twenty days prior to the hearing. At the hearing, the Board and the holder of the license or applicant shall have the right to be represented by legal counsel.

(4) The Board may administer oaths, take the depositions of witnesses as in civil cases and compel them to attend before it in person as in civil cases by subpoena issued in the name of the Commonwealth and over the signature of the Chairman of the Board.

(5) Proceedings for the penalizing, suspension, revocation, or denial of a license may be instituted by any individual or organization filing a verified complaint with the secretary of the Board or such proceeding may be instituted by the Board acting

upon its own initiative or by the chairman or secretary of the Board acting on behalf of the Board.

(6) The Board may institute in its own name proceedings to restrain and enjoin temporarily or permanently violations of this chapter, and the Board shall not be required to pay any costs or filing fee or furnish any bond in connection therewith.

(7) Hearings held by the Board under subsection (1) of this section may be held in the county where the holder of the license lives or operates an employment service.

(8) After hearing the Board may, if the licensee is guilty of violating any part of this Act, impose a fine not exceeding $250 or suspend or revoke the license.

Section 8. A new section of Chapter 340 of the Kentucky Revised Statutes is created to read as follows:

All license fees and penalty fines derived from this Act shall be deposited with the Commonwealth of Kentucky.

Section 9. This Act shall become effective July 1, 1970.

Section 10. Sections 340.010, 340.020, 340.030, 340.040, 340.050, 340.060, 340.070, 340.990 of the Kentucky Revised Statutes are repealed.

SB 91, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS Chapter 342 is created to read as follows:

(1) When an employe is disabled, whether from a compensable injury, occupational disease, pre-existing disease, congenital infirmity, or otherwise, and when the pre-existing disability is the cause, in whole or in part, of a compensable injury to the employe, the employer shall be liable only for that portion of the injury, if any, that was not caused by the employe's pre-existing disability, and the Special Fund shall be liable for that portion of the injury that was so caused.

(2) The Special Fund may be made a party to the case at any time upon motion of either party or of the board itself if there is any reason to believe an injury may have been caused by a pre-existing disability.

Section 2. A new section of KRS Chapter 342 is created to read as follows:

When the Special Fund has been made a party to an action under the provisions of Section 1 of this Act the board shall resolve the questions whether the injury was caused by the employe's pre-existing disability, and if so what portion of the injury was so caused. The board may resolve these questions through the procedure set out in KRS 342.121 or by other means. The board's order shall include definite findings on these questions.

Section 3. Section 342.121 of the Kentucky Revised Statutes is amended to read as follows:

(1) If on a claim for compensation for disability resulting from a subsequent injury by accident or occupational disease any medical question shall be in controversy, or a determination thereof necessary to the proper apportionment of liability therefor, the board shall refer the case to a physician appointed by it for the purpose of investigating and reporting to the board on the medical questions involved. The physician shall make his report to the Workmen's Compensation Board in writing with respect to all medical questions at issue or necessary to the apportionment of disability between the subsequent injury and in the prior existing disability at the time of employment. The report shall show the date of prior disablement or latent, nondisabling disease, which, if in dispute, shall be deemed a medical question.

(2) The physician appointed as provided in subsection (1) of this section shall be allowed necessary traveling expenses and reasonable fees, to be fixed by the board to each physician for making such examination and report, plus a reasonable allowance for expenses incurred in making such examination. The board may also allow traveling expenses to the employe. Such fees and expenses so approved by the board shall be paid out of the Special Fund.

(3) The physician shall, as soon as practicable after he has completed his consideration of the case, but not later than

fifteen days after the examination of the employe, report in writing his findings on every medical question in controversy. The physician shall also include in his report a statement indicating the physician or physicians, if any, who appeared before him, and what, if any medical reports and X-rays were considered by him.

(4) The decision or award in the case shall conform to the findings and conclusions in such report insofar as restricted to medical questions; provided, however, that any such findings and conclusions may be set aside, reversed or modified, by the board's award or decision, in case an application for review is made to the board within ten days after the report is filed with the board and the interested parties notified, subject, however, to the following special provisions: no such findings of the physician shall be subject to review unless specific objections thereto shall be filed with the board by a party in interest within the time limited in which to apply for review of such report.

(5) The provisions of this section shall apply only to persons mentioned in KRS 342.120 *and in Section 1 of this Act.*

Section 4. A new section of KRS Chapter 342 is created to read as follows:

(1) The Commissioner of Labor shall keep an accurate count of all money awarded from the Special Fund under the provisions of this Act. At a time reasonably close to the end of each odd-numbered calendar year he shall report to the Department of Finance the total amount awarded under the provisions of this Act during the preceding two calendar years.

(2) At the beginning of the fiscal year in each even-numbered calendar year, the Commissioner of Finance shall cause to be credited to the Special Fund all money appropriated from the state's General Fund for the purpose of covering the amounts awarded from the Special Fund under this Act during the preceding two calendar years.

Section 5. This Act is intended to supplement the provisions of KRS 342.120, 342.121, and 342.122, and is not intended to replace them in any way.

Section 6. This Act applies to injuries occurring on and after the effective date of this Act.

The Committee on Banking and Insurance reported **HB 279** with Committee Amendment attached thereto, **HB 622, HB 620, HB 621, SB 206** and **SJR 13** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 279, AN ACT relating to state savings and loan associations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 289.011 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Association" means a savings and loan association subject to the provisions of this chapter and building and loan association as defined in KRS 136.290, 136.300 and 136.310.

(2) "Combination home and business structure" means a building or buildings, including residences for not more than four families, which are used in part for business purposes. The residential use of such a building must be substantial and permanent, not merely transitory. The business use may predominate.

(3) "Commissioner" means the Commissioner of Banking and Securities.

(4) "Direct-reduction loan" means a loan repayable in consecutive weekly, monthly or semi-annual installments, equal or unequal, sufficient to retire the debt, interest, and principal; provided, however, that the initial loan contract shall not provide for any subsequent monthly installment of an amount larger than any previous monthly installment; and, provided further, that in the case of construction loans the first payment under said contract shall be made not later than twelve months after the date of the first advance. Any such loan is an amortized loan.

(5) "Dividend" or "Earnings" means that part of the net

income of an association which is declared payable on savings accounts and savings certificates from time to time by the board of directors, and is the cost of savings money to the association. *Dividend or earnings also may be referred to as "interest."*

(6) "Gross income" means the sum for an accounting period of the following:

(a) Operating income.

(b) Real estate income.

(c) All profits actually received during such accounting period from the sale of securities, real estate, or other property.

(d) Other non-recurring income.

(7) "Home" means a dwelling or dwellings for not more than four families, the principal use of which is for residential purposes. A home on a farm is a home.

(8) "Home Loan" means a real estate loan the security for which is home property.

(9) "Home property" means real estate on which there is located, or will be located pursuant to a home loan, a home or a combination home and business structure.

(10) "Impaired condition" means a condition in which the assets of an association in the aggregate do not have a fair value equal to the aggregate amount of liabilities of the association to its creditors, including its members and all other persons.

(11) "Improved real estate" means real estate on which there is a structure or an enclosure, or which is cultivated, reclaimed, used for the purpose of agriculture in any form, or otherwise occupied, made better, more useful, or of greater value by care so as to produce an enjoyment thereof.

(12) "Insured association" means an association the savings accounts of which are insured in accordance with the provisions of this chapter.

(13) "Member" means a person holding a savings account or a savings certificate of an association, or a person borrowing from or assuming or obligated upon a loan or interest therein held by an association, or purchasing property securing a loan or interest therein held by an association. A joint and survivorship rela-

tionship, whether of investors or borrowers, constitutes a single membership.

(14) "Net income" means gross income for an accounting period less the aggregate of the following:

(a) Operating expenses.

(b) Real estate expenses.

(c) All losses actually sustained during such accounting period from the sale of securities, real estate or other property, or such portion of such losses as shall not have been charged to reserves, pursuant to the provisions of this chapter.

(d) All interest paid, or due but unpaid, on borrowed money.

(e) Other nonrecurring charges.

(15) "Net income available for dividends or earnings" means net income for an accounting period less amounts transferred to reserves as provided in this chapter.

(16) "Operating expenses" means all expenses actually paid, or due but unpaid, by an association during an accounting period, excluding the following:

(a) Real estate expenses.

(b) Interest on borrowed money.

(c) Other nonrecurring charges.

That portion of prepaid expenses which is not apportionable to the period may be excluded from operating expenses, in which event operating expenses for future periods shall include that portion of such prepaid expenses apportionable thereto.

(17) "Operating income" means all income actually received by an association during an accounting period, excluding the following:

(a) Foreclosed real estate income.

(b) Other nonrecurring income.

(18) "Other real estate loan" means a real estate loan the security for which is real estate other than home property.

(19) "Real estate expenses" means all expenses actually

paid, or due but unpaid, in connection with the ownership, maintenance, and sale of real estate (other than office building or buildings and real estate held for investment) by an association during an accounting period, excluding capital expenditures and losses on the sale of real estate.

(20) "Real estate income" means all income actually received by an association during an accounting period from real estate owned (other than from office building or buildings and real estate held for investment) excluding profit from sale of real estate.

(21) "Real estate loan" means any loan or other obligation secured by real estate, whether in fee or in a leasehold.

(22) "Savings account" means that part of the savings liability of the association which is credited to the account of the holders thereof.

(23) "Savings Certificate" means that part of a savings account which is fully paid and is represented by a certificate.

(24) "Savings liability" means the aggregate amount of savings accounts and savings certificates of members, including dividends credited to such accounts, less redemptions and withdrawals. *Savings liability also may be referred to as "deposit."*

(25) "Withdrawal value" means the amount credited to a savings account and savings certificate of a member, less lawful deductions therefrom, as shown by the records of the association.

(26) "Minor" means a person over fourteen years of age and under twenty-one years of age.

(27) "Capital stock" as used in this chapter may be used interchangeably with the term savings account and savings certificate.

Section 2. A new section of Chapter 289 of the Kentucky Revised Statutes is created to read as follows:

Notwithstanding any restrictions elsewhere contained in this chapter, the Commissioner of Banking may prescribe, amend and repeal regulations authorizing savings and loan associations to engage in any lawful business activity in which such associations could engage were they operating as federal

savings and loan associations at the time such authority is granted, provided that such regulations shall have as their objective the placing of state savings and loan associations on a substantial competitive parity with federal savings and loan associations, in order that the dual system of savings associations may be preserved.

Section 3. It is hereby found and determined that state-chartered savings and loan associations are presently unable to compete effectively with federal savings and loan associations solely by reason of existing statutory restrictions which are unrealistic under prevailing conditions in the savings and thrift industry and which prevent regulatory adjustments as are constantly made for the benefit of federal savings and loan associations by the Federal Home Loan Bank Board; and accordingly it is hereby found and declared that an emergency exists and that this Act shall become effective immediately upon its passage and its approval by the Governor.

The Committee Amendment to **HB 279** is as follows:

Amend printed copy of House Bill 279 on page 5, line 24, by: changing the word "[twenty-one]" to *"eighteen"*

and on page 6, lines 2 through 11, by striking those lines and substituting therefor the following:

"(1) Notwithstanding any restrictions elsewhere contained in this chapter the Commissioner of Banking may prescribe, amend and repeal regulations, authorizing state-chartered savings and loan associations to make any loans, and accept savings accounts and deposits, and provide for the payments of dividends or interest thereon, under the same terms, conditions, limitations, restrictions and safeguards, which such associations could make or do were they operating as federal savings and loan associations at the time such authority is granted, provided that such regulations shall have as their objective the placing of state-chartered savings and loan associations on a substantial, competitive, operating parity with federal savings and loan associations, in order that the dual system of savings associations may be preserved.

(2) Nothing herein contained shall be construed to repeal, modify or alter the restrictions of subsection (4) of KRS 289.061 with respect to branching."

HB 622, AN ACT relating to banks and banking.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 360.210 to and including Section 360.265 of the Kentucky Revised Statutes are hereby repealed.

Section 2. Section 360.991 of the Kentucky Revised Statutes is hereby repealed.

HB 620, AN ACT relating to small loan companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 288.440 of the Kentucky Revised Statutes is amended to read as follows:

Each applicant at the time of making application shall pay fifty dollars to the *Commissioner* [director] as a fee for investigating the application and the additional sum of two hundred and fifty dollars as an annual license fee for the period terminating on the last day of the current calendar year. If the application is filed after June 30 in any year, the payment shall be one hundred and twenty-five dollars as a license fee in addition to the fee for investigation. *In addition to the annual license fee, every licensee hereunder shall pay a fee for examinations by the Department of Banking to be computed by the Department of Banking based on fair compensation for time and actual expenses.* [In addition to the annual license fee every licensee hereunder shall pay the same fees for each examination as are allowed by statute for the examination of banks.]

HB 621, AN ACT relating to banks and banking.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 287.480 of the Kentucky Revised Statutes is amended to read as follows:

The following fees shall be paid to the Commissioner of Banking and Securities by corporations engaged in a banking or trust business:

(1) For the investigation incident to the approval of articles of incorporation and to the approval of applications for branch banks, the fee shall be sufficient to cover the cost of the investigation based upon fair compensation for time and actual expense;

(2) For each report, a filing fee of $2.00;

(3) *An annual fixed fee of $50, plus 40¢ per $1,000 for the first $250,000; 21¢ per $1,000 for the next $750,000; 17¢ per $1,000 for the next $1,000,000; 15¢ per $1,000 for the next $3,000,000; 13¢ per $1,000 for the next $2,000,000; 8¢ per $1,000 for the next $5,000,000; 6¢ per $1,000 for the next $8,000,000; and 3¢ per $1,000 over $20,000,000. The amount of the annual fixed fee shall be based upon the average of the total assets of each bank as shown by the asset total of all financial statements or reports of condition filed annually at the direction of the Commissioner of Banking pursuant to KRS 287.420. In addition, each bank operating bank offices, bank facilities, or branch banks, shall pay for each outlet an annual fee of $25; and* [For each examination of the institution of other than assets held by it in a fiduciary capacity, $.03 on each $1,000 of assets, or fractional part, and in addition a flat fee as follows: Institutions having assets of not more than $300,000, a fee of $35; institutions having assets of $300,000 and not more than $600,000, a fee of $50; on each institution having assets of $600,000 and not more than $1,000,000, a fee of $60; on each institution having assets of $1,000,000 and not more than $2,000,000, a fee of $80; on each institution having assets of $2,000,000 and not more than $3,000,000, a fee of $150; on each institution having assets of $3,000,000 and not more than $5,000,000, a fee of $200; on each institution having assets of $5,000,000 and not more than $10,000,000, a fee of $300; and on each institution having assets of $10,000,000 or more a fee of $400; and]

(4) For the examination of the assets held by the institution in a fiduciary capacity, the expenses of such examination, not exceeding *$25* [$15] per day for the services of each examiner actively engaged in the examination. The Commissioner shall accept examinations made of the trust department in combined banks and trust companies by examiners for the Federal Reserve System, Federal Deposit Insurance Corporation, or a certified

public accountant, if the report of such audit or examination is furnished to him.

(5) Extraordinary services performed, in addition to examinations, for any financial institution, including institutions in liquidation under the supervision of the commissioner, shall be paid for by such institution upon the basis of fair compensation for time and actual expense.

Section 2. A new section of Chapter 287 of the Kentucky Revised Statutes is created to read as follows:

(1) As used in this act, unless the context requires otherwise:

(a) "Commissioner" means the Commissioner of Banking and any other person lawfully exercising the powers of the commissioner;

(b) "Officers" means the person or persons designated by the board of directors of a bank to act for the bank in carrying out the provisions of this act;

(c) "Emergency" means any condition which interferes with the conduct of normal business operations at one or more or all offices of a bank or banks, or which poses an imminent or existing threat to the safety and security of persons or property, or both. Without limiting the generality of the foregoing, an emergency may arise as a result of any one or more of the following: fire; flood; wind, rain or snow storms; labor disputes; power failures; transportation failures; war; and riots, civil commotions, and other acts of lawlessness or violence;

(d) "Office" means any place at which a bank transacts business or conducts operations related to the transaction of business;

(e) "Person" includes natural persons, corporations, partnerships and associations.

(2) Whenever the commissioner is of the opinion that an emergency exists in this State or in any part or parts of this State, he shall, by proclamation, authorize those banks which, in the opinion of their officers, are directly or indirectly affected by such emergency to close one or more or all their offices.

(3) Whenever the officers of a bank are of the opinion

that an emergency exists which affects one or more or all the bank's offices, they shall have authority to close one or more or all such offices even though the commissioner has not issued a proclamation of emergency, and they may provide that the business normally transacted at a closed office will be transacted at another office designated by the bank until further notice. The office or offices so closed shall remain closed until the commissioner proclaims that the emergency has ended, or until such earlier time as the officers of the bank determine that one or more offices, theretofore closed because of the emergency, should reopen, or, if the commissioner has issued no proclamation of emergency, until the officers of the bank determine that such office or offices should reopen. The discretion of the officers in acting pursuant to this section, when exercised in good faith, shall not be questioned in any court or place.

(4) A bank closing an office or offices pursuant to this act shall give prompt notice to the commissioner as conditions will permit.

(5) No bank and no director, officer or employee of a bank shall be liable to any person for any direct or indirect loss suffered by reason of the bank's failure or inability to make access to the bank's premises and facilities available to such person or by reason of the bank's failure or delay in performing any contractual, statutory or other duty assumed by or imposed upon the bank in any capacity, when such failure, inability or delay is caused by an emergency as defined by this act. The immunity from liability provided for herein shall endure during the period of such emergency and for such time thereafter as may reasonably be necessary to afford such access or perform such duty.

(6) The provisions of this act shall be construed and applied as being in addition to any other law of this State or United States excusing delays by banks in the performance of duties or obligations, or authorizing the closing of banks because of emergencies or conditions beyond the bank's control, or otherwise.

(7) The commissioner may make such orders and regulations, not inconsistent with this act, as he shall deem necessary during an emergency to provide for the uninterrupted continuance of business by banks to the extent consistent with the safety and security of persons and property.

SB 206, AN ACT relating to industrial building revenue bonds; and declaring an emergency.

WHEREAS, in the present state of the municipal bond market the limitations heretofore imposed on interest rates of industrial building revenue bonds have become unrealistic when measured against the increasing cost of money in national and international markets, with the result that some governmental units have been unable to issue bonds for needed industrial projects; and

WHEREAS, certain other features of the present Act relating to industrial building revenue bonds have also proved to be unnecessarily restrictive, in that it is not plainly stated that such bonds may be issued to assist industries in the control of pollution, and certain of the bonds authorized may not be issued upon a negotiated basis, even if the industry which will pay the cost of the bonds through its rental payments desires to negotiate the sale of the issue; and

WHEREAS, the public policy of the Commonwealth favors all efforts to control pollution which may result from the establishment or maintenance of industrial projects; and

WHEREAS, the cost of such projects, whether relating to pollution or to the establishment or expansion of new industries, is always borne by the leasing company, and no part of the cost is chargeable to the governmental authority issuing the bonds, which means that there is no reasonable public purpose to be served by establishing limitations on the negotiation of the sale of such bonds at whatever interest rate the industry is willing to pay,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 103.200 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 103.200 to 103.285, "industrial buildings" or "building" means any building, structure, or related improved area suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, fabricating plant, or parking

or pollution control area *or structure* deemed necessary to the establishment, *retention* or expansion thereof, and the necessary operating machinery and equipment, or any of these things, to be rented or leased to an industrial concern by the city or county by which it is acquired.

Section 2. Section 103.210 of the Kentucky Revised Statutes is amended to read as follows:

In order to promote the reconversion to peacetime economy, to relieve the conditions of unemployment, to aid in the rehabilitation of returning veterans, [and] to encourage the increase of industry in this state, *and to aid in the retention of existing industry through the control of pollution,* any city or county may borrow money and issue negotiable bonds for the purpose of defraying the cost of acquiring any industrial building, either by purchase or construction, but only after an ordinance *or resolution* has been adopted by the legislative body of the city or the fiscal court of the county, as the case may be, specifying the proposed undertaking, the amount of bonds to be issued, and the maximum rate of interest the bonds are to bear. The ordinance *or resolution* shall further provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.280.

Section 3. Section 103.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The bonds may be issued to bear interest at a rate *fixed by the city legislative body or the fiscal court of the county* [not to exceed seven percent per annum], payable either annually or semi-annually, and shall be executed in such manner and be payable at such times not exceeding twenty-five years from date thereof and at such place or places as the city legislative body or the fiscal court of the county, as the case may be, determines.

(2) The bonds may provide that they or any of them may be called for redemption prior to maturity under conditions fixed by the city legislative body or the fiscal court of the county, as the case may be, before issuing the bonds.

Section 4. Section 103.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) Bonds issued pursuant to KRS 103.200 to 103.280 shall be negotiable. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be such officer before delivery of the bonds, his signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until delivery. The bonds shall be sold upon such terms as the city legislative body or the fiscal court of the county, as the case may be, deems best, or any contract for the acquisition of any industrial building may provide that payment shall be made in such bonds. The issuing authority may sell such bonds in such manner, either at public or private sale, and for such price, as it may determine will best effect the purposes of KRS 103.230 to 103.260; provided, however, that no private or negotiated sale shall be made unless [the amount of the issue equals or exceeds $10,000,000, and unless] the business concern which is contracting to lease the industrial building shall have requested in writing, addressed to the chief executive of the issuing authority, that the sale of the bonds shall be made privately upon a negotiated basis. [In no event shall any bonds be sold or negotiated on a basis to yield more than seven percent, except as provided in subsection (2) of KRS 103.220.]

(2) The bonds shall be payable solely from the revenue derived from the building, and shall not constitute an indebtedness of the city or county within the meaning of the Constitution. It shall be plainly stated on the face of each bond that it has been issued under the provisions of KRS 103.200 to 103.280 and that it does not constitute an indebtedness of the city or county within the meaning of the Constitution.

Section 5. Section 103.240 of the Kentucky Revised Statutes is amended to read as follows:

All money received from the sale of the bonds shall be applied solely for the acquisition of the industrial building and any utilities *or pollution control structures or equipment* requisite to the use thereof, and the necessary expense of preparing, printing and selling said bonds, or to advance the payment of interest on the bonds during any portion of the first three years following the date of the bonds.

Section 6. A new section of Chapter 103 of the Kentucky Revised Statutes is created to read as follows:

It is the intention of this Act to permit the issuance of the industrial building revenue bonds hereby authorized at any rate of interest which may be established by the issuing authority at the request of the lessee of the property or as a result of a public sale of the bonds, and no general statute heretofore or hereafter enacted shall be deemed to limit the maximum interest rate which may be established for such bonds unless the Act includes such bonds by specific language.

Section 7. Whereas, many municipalities have been delayed or hindered in their industrial building revenue bond financing by reason of the interest rate limitations inherent in existing law, and this Act would permit the avoidance of such difficulties by permitting actual rates to be established by the market situation, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SJR 13, A JOINT RESOLUTION providing for a study by the Legislative Research Commission of the Uniform Consumer Credit Code, with particular reference to its effect upon existing Kentucky law.

WHEREAS, the National Conference of Commissioners on Uniform State Laws over the years has promulgated so many desirable and worthwhile laws that any law recommended by the Conference is entitled to great respect; and

WHEREAS, the National Conference of Commissioners on Uniform State Laws has promulgated the Uniform Consumer Credit Code; and

WHEREAS, the final draft of the Uniform Consumer Credit Code was approved by the National Conference of Commissioners on Uniform State Laws on July 30, 1968, and by the American Bar Association on August 7, 1968, and was revised to conform to exemption requirements of the Federal Consumer Credit Protection Act and regulations of the Federal Reserve Board; and

WHEREAS, the Uniform Consumer Credit Code is currently being studied and evaluated by study commissions in fifteen (15) states, and has been introduced in the legislatures and is currently pending in thirty-one states, and has been enacted into law in two states; and

WHEREAS, the Uniform Consumer Credit Code contains provisions of vast importance to the citizens of Kentucky pertaining to retail installment sales, consumer credit, small loans, and usury, and should be carefully studied and evaluated prior to enactment by the General Assembly; and

WHEREAS, the Kentucky State Bar Association has established a committee for study of the code, the services of which are available to assist in the preparation of a comprehensive report designed to furnish adequate information for legislative action;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is authorized and directed to make a detailed study of and evaluate the proposed Uniform Consumer Credit Code, with the view of determining generally its effect upon existing Kentucky law and with the further view of collecting such information concerning the code as will enable the General Assembly to be fully advised of the factors bearing upon the advisability and desirability of enacting the code into law in Kentucky.

Section 2. That the Legislative Research Commission, in the conduct of this study, shall avail itself of the assistance and advice of the Kentucky State Bar Association Consumer Credit Code Committee, the Department of Banking, the Kentucky Retail Federation, interested business, professional and consumer groups concerned with credit legislation and financial groups in Kentucky that would be affected by the enactment of the code. The Legislative Research Commission also shall seek advice and assistance from those federal agencies and national organizations concerned with consumer credit legislation.

Section 3. The Commission may in its discretion conduct such hearings and obtain the benefit of such research in connection with its study as may be deemed necessary in the performance of its duties.

Section 4. That the Legislative Research Commission shall prepare a report embodying the results of the study and investigation and make the same available for distribution prior to the 1972 Session of the General Assembly.

The Committee on State Government reported **HB 240,** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

Committee Substitute, HB 240, AN ACT recognizing a Division of Electronic Data Processing as established in the Department of Finance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 42 of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby established in the Department of Finance a Division of Electronic Data Processing which shall administer the data processing functions for the Department of Finance as set forth in KRS 42.030 (1) (j).

(2) The division shall be headed by a director appointed by the Commissioner of Finance, who shall be qualified by both academic training and experience in all phases of the operation and use of electronic computers and related data processing equipment and systems.

The Committee on State Government reported **HB 338, HB 379, HB 384, HB 401, HB 534, HB 543, HB 437** with Committee Substitute attached thereto, **SB 59** and **SB 180** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 338, AN ACT relating to the Executive Branch of State Government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 12.022 of the Kentucky Revised Statutes is hereby repealed.

HB 379, AN ACT relating to the enlargement of the Kentucky Advisory Council to include representatives of recipients of Child Welfare services.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 199.820 of the Kentucky Revised Statutes is amended to read as follows:

There shall be established a Kentucky Children's Advisory Council which shall be attached to the Department of Child Welfare. It shall be composed of *eighteen* [twelve] members who are appointed by the Governor, to serve part time for staggered, overlapping four-year terms. [on the following basis:] *Present members of the Council shall serve for the terms to which they have been appointed. Of the six new members to represent recipients of Child Welfare services two shall serve for four years, two shall serve for three years, and two shall serve for two years the duration of the terms to be determined by lot. Their successors shall be appointed to four year terms. Members of the Council are*:

(1) One member of the council shall be a diplomate psychiatrist, preferably with experience in child psychiatry, appointed from a list of three names of eligible psychiatrists submitted by the State Association of Diplomate Psychiatrists;

(2) One member of the council shall be appointed from a list of three names submitted by each of the recognized statewide veterans' associations;

(3) *One* [two] *member* [members] of the council shall be appointed from a list of three names [for each position] submitted by the *Kentucky Council* [chapters in the state] of the National Association for Social Workers;

(4) *One member* [Two members] of the council shall be appointed from a list of three names [for each position] submitted by the Kentucky Citizens for Child Welfare, Inc.;

(5) One member of the council shall be appointed from a list of three names submitted by the KEA;

(6) One member of the council shall be appointed from a list of three names submitted by the League of Women Voters;

(7) One member of the council shall be appointed from a list of three names of eligible psychologists submitted by the Kentucky Psychological Association;

(8) One member of the council shall be appointed to represent the religions of the Commonwealth;

(9) One member of the council shall be appointed from a list of three names submitted by the Kentucky Welfare Association;

(10) One member of the council shall be appointed from a list of three names submitted by the Kentucky Federation Women's Club; [.]

(11) One member of the council shall be appointed from a list of three names submitted by the Kentucky Bar Association;

(12) One member of the council shall be appointed from a list of three names submitted by the Kentucky Association for Children Under Six,

(13) Six members of the council shall be appointed to represent the recipients of Child Welfare services from a list of eighteen names submitted by the Department of Child Welfare.

HB 384, AN ACT relating to solid waste disposal.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 211.730 of the Kentucky Revised Statutes is amended to read as follows:

Notwithstanding the existence or pursuit of any other remedy, civil or criminal, *any person, or* the department may maintain, in its own name, an action to restrain or enjoin any *person,*

or any city or county who provides or contracts privately for solid waste disposal facilities from violation of KRS 211.700 to 211.730, the rules and regulations promulgated pursuant thereto, or orders of the department issued pursuant thereto.

Section 2. Section 211.992 of the Kentucky Revised Statutes is amended to read as follows:

Any person, *or any city or county who provides or contracts privately for solid waste disposal facilities,* who violates any of the provisions of KRS 211.700 to 211.730, any rule or regulation promulgated pursuant thereto, or any order of the department issued pursuant thereto shall be fined not less than one hundred dollars nor more than five hundred dollars or imprisoned for not more than thirty days or both. Each day of violation shall constitute a separate offense.

HB 401, AN ACT relating to public offices and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 18 of the Kentucky Revised Statutes is created to read as follows:

Annual or vacation leave with pay for persons in the service of the Commonwealth shall be fixed under KRS 18.170(2), 18.210(19) and 18.220(4) on the basis of one and one-half day of annual or vacation leave for each month of employment for employes having more than five years of service; one and one-fourth days for each month of employment for employes having more than one year and less than five years of service; and one-half day for each month of employment for employes having less than one year of service as defined by rules adopted under KRS 18.170. Annual or vacation leave under this section may accumulate, if not taken up to a total of thirty-six days.

HB 534, AN ACT relating to "Active State Service" of the National Guard.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 38.101 of the Kentucky Revised Statutes is amended to read as follows:

Definitions. As used in this chapter, unless the context requires otherwise:

(1) "Kentucky National Guard" includes the Army National Guard and Air National Guard;

(2) "Active Army National Guard and Active Air National Guard" includes those organizations, officers, and enlisted personnel, both male and female, of the federally recognized Kentucky National Guard authorized to receive federal pay, arms, and equipment;

(3) "Inactive Army National Guard and Inactive Air National Guard" includes those organizations, officers and enlisted personnel, both male and female, of the Kentucky National Guard not entitled to receive federal pay, arms and equipment;

(4) "Active state service" is:

(a) The ordering by the Governor of any unit or units of the Kentucky National Guard to enforce the laws of the Commonwealth; resist an actual or threatened invasion or insurrection; quell a riot or other domestic disturbance; or preserve and protect the rights, lives or property of citizens of the Commonwealth;

(b) Officers, warrant officers and enlisted personnel employed under orders of the Governor in making tours of inspection, mustering in or mustering out troops, making surveys of military property, sitting on courts-martial, summary courts, efficiency boards, courts of inquiry or boards of officers or performance of any other duty directed by the Governor or Adjutant General;

(c) The participation of any unit or units of the Kentucky National Guard in gunnery competition or other training or military exercise anywhere within or without the United States *except when entitled to receive Federal pay;*

(5) Words importing the masculine gender only shall extend to be applied to females as well as males.

Section 2. *Whereas, it is increasingly difficult in determining whether State or Federal laws are applicable in specific situations involving various kinds of liability claims against the*

State resulting from acts of the Kentucky National Guard, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

HB 543, AN ACT relating to Urban County Government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 67 of the Kentucky Revised Statutes is created to read as follows:

In order to facilitate the operation of local government, to prevent duplication of services, and to promote efficient and economical management of the affairs of local government, the voters in counties containing cities of the first or second class may merge all units of city and county government into an urban county form of government. Such merger shall take place only after compliance with the procedures set forth in Section 2 of this Act.

Section 2. A new section of Chapter 67 of the Kentucky Revised Statutes is created to read as follows:

Upon a petition filed with the county clerk and signed by a number of registered voters equal to 5 percent of voters of the county voting in the immediate past general election, and, upon additional petitions equal to the number of municipal corporations within the county, filed with the county clerk and signed by a number of registered voters equal to 5 percent of the number of voters of each municipal corporation, voting in the immediate past general election, requesting a referendum be held on the question of adopting the urban county form of government, the fiscal court and the council of the largest city within the county shall appoint a representative commission composed of not less than twenty citizens which shall devise a comprehensive plan of urban county government. This plan shall be advertised at least ninety days before a general election at which the voters will be asked to approve or disapprove the adoption of the plan. The ballots shall be counted, returns made and canvassed as in other elections, and the results shall be certified by the county board of election commissioners to the county clerk. If it appears that a majority of those voting are in favor of

adopting the plan, the commissioners shall enter such fact of record and shall organize the urban county government.

Section 3. A new section of Chapter 67 of the Kentucky Revised Statutes is created to read as follows:

Upon the election and qualification of county officers at the next regularly scheduled election at which county officers shall be elected, as provided in Section 99 of the Constitution, the urban county government shall immediately become the effective government for the county. All the debts, corporate property, franchises and rights of any municipality within the county shall be assumed by the urban county government.

Section 4. A new section of Chapter 67 of the Kentucky Revised Statutes is created to read as follows:

All powers and privileges possessed by the class of cities to which the largest city in the county belonged on the effective date of this Act shall be exercised by the urban county government.

HB 437, AN ACT relating to business and consumer protection.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

The purpose of this Act shall be to protect business and consumers from consumer fraud and deceptive practices in the conduct of any trade or commerce in part or wholly within this Commonwealth.

Section 2. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act unless the context otherwise requires:

(1) "Court," except as otherwise specified in Section 13 of this Act, means the circuit court in any county of this Commonwealth where the alleged or suspected practice declared unlawful by this Act has been partially or completely performed,

or in that county in which the person alleged or suspected to have violated this Act has his principle place of business in the Commonwealth, or the Franklin Circuit Court.

(2) "Advertisement" means any publication, dissemination, solicitation, endorsement, or circulation, visual, oral or written, including labelling, which tends to induce, directly or indirectly, any person to enter or not to enter into any obligation, or acquire any title or interest in any merchandise or service or increase the consumption thereof.

(3) "Merchandise" means any objects, wares, goods, commodities, intangibles, real estate, or anything offered, directly or indirectly, to the public for sale;

(4) "Service" means any maintenance, repair, or advice, by any person in the conduct of any occupation;

(5) "Person" means any natural person or his legal representative, any domestic or foreign individual, corporation, government, governmental subdivision or agency, business, estate, trust, partnership, incorporated or unincorporated association, two or more of the foregoing having a joint or common interest, any other legal or commercial entity or any agent, employee, salesman, partner, officer, director, member, stockholder, associate, trustee, or cestui que trust thereof.

(6) "Sale" means any sale, rental or distribution, offer for sale, rental or distribution, or attempt directly or indirectly to sell, rent or distribute any merchandise or service for any consideration.

Section 3. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) The Act, use or employment by any person of any deception, fraud, false pretense, false promise or misrepresentation or the concealment, suppression or omission of a material fact, in connection with the sale or advertisement of any merchandise or service or with the subsequent performance of such person aforesaid, is an unlawful practice.

(2) Subsection (1) of this Section shall not apply to the owner or publisher of newspapers, magazines or publications wherein such advertising appears, or to the owner or operator

of a radio or television station which disseminates such advertisement—except when the owner, publisher, or operator or agent, employee, salesman or officer thereof has prepared the advertisement, or has or should have knowledge that such advertisement may be in violation of subsection (1) of this Section or the owner, publisher, or operator has a financial interest in the sale or distribution of the advertised merchandise or service.

(3) The Attorney General or any Commonwealth Attorney may enforce the provisions of this Section by civil action for injunctive relief in a court of this Commonwealth. In such action to obtain said injunction it shall be sufficient to allege and prove that a violation of this Act has occurred, and it shall not be necessary to allege or prove that any person has been misled or deceived thereby, or that any person has been damaged or has sustained loss as a result of any violation of this Act.

Section 4. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) When it appears to the Attorney General that it would be in the public interest that an investigation should be made of a suspected or alleged violation of this Act, he may:

(a) execute in writing and cause to be served upon any person who is believed to have information, documentary material or physical evidence relevant to the suspected or alleged violation, an investigative demand requiring such person to furnish, under oath or otherwise, a report in writing setting forth the relevant facts and circumstances of which he has knowledge; or

(b) require such person to appear and testify or to produce relevant documentary material or physical evidence for examination, at such reasonable time and place as may be stated in the investigative demand, concerning the advertisement, sale or offering for sale of any goods or services or the conduct of any trade or commerce that is the subject matter of the investigation; or

(c) issue subpoena to any person, administer an oath or affirmation to any person and conduct hearings in aid of any investigation or inquiry.

(2) At any time before the return date specified in an investigative demand, or within twenty days after the demand has been served, whichever period is shorter, a petition to extend the return date, or to modify or set aside the demand, stating good cause, may be filed in the court.

(3) Upon showing of probable cause to believe that information will not be obtainable pursuant to Subsection (1) of this Section, a court may grant an application ex parte by the Attorney General for an order impounding any record, book, document, account, paper or sample of merchandise, material to such practice under investigation. Such motion shall state in writing the grounds which the Attorney General believes constitute probable cause. The court shall specify the length of time for copy or inspection by order.

Section 5. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

Any book, record, paper, memorandum or other documentary information produced by any person pursuant to this Act, or any copy thereof, shall not, unless otherwise ordered by a court of this Commonwealth for good cause shown, be disclosed to any person other than the Attorney General or his authorized agent or representative or other governmental agency, unless the consent of the person producing the same is obtained, or such documentary information is filed as a matter of record in the Court having jurisdiction in the action. No information obtained pursuant to this Act shall be used in a criminal prosecution, provided that this shall not be construed to prevent the Attorney General or his agent from informing any Commonwealth or County Attorney of the existence of a crime nor to prevent said Commonwealth or County Attorney from using the same or similar matters if otherwise obtained.

Section 6. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

Service of a subpoena or demand pursuant to Section 4 of this Act may be had to the fullest extent permitted by the Constitution of the United States.

Service of any notice, demand or subpoena under this Act

shall be made personally within this State, but if such cannot be obtained, substituted service therefore may be made in the following manner:

(1) Personal service thereon within this State; or

(2) The mailing thereof by registered or certified mail to the last known place of business, residence or abode within or without this State of such person for whom the same is intended; or

(3) As to any person other than a natural person, in the manner provided in the Kentucky Rules of Civil Procedure as if a complaint had been filed; or

(4) Such service as a circuit court may direct in lieu of personal service.

Section 7. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

If any person fails or refuses to file any statement or report, or obey any subpoena or investigative demand issued by the Attorney General, or with actual notice that an investigation has begun or is about to begin pursuant to Section 4 of this Act intentionally conceals, alters, destroys, falsifies or withholds documentary material, the Attorney General may, after notice, apply to a Court, and after hearing thereon, request an order:

(1) Granting injunctive relief to restrain the person from engaging in the advertising or sale of any merchandise or the conduct of any trade or commerce that is involved in the alleged or suspected violation;

(2) Vacating, annulling, or suspending the corporate charter of a corporation created by or under the laws of this Commonwealth or revoking or suspending the certificate of authority to do business in this Commonwealth of a foreign corporation or revoking or suspending any other licenses, permits certificates issued pursuant to law to such person which are used to further the allegedly unlawful practice; and

(3) Granting such other relief as may be required, until the person files the statement or report, or obeys the subpoena or investigative demand.

Any disobedience of any final order entered under this Section by any court shall be punished as a contempt thereof.

Section 8. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

Whenever it appears that the public interest will be served by doing so, the Attorney General may authorize the Commonwealth Attorney to utilize, in any investigation the Commonwealth Attorney may have undertaken concerning alleged or suspected violations of this Act, the powers conferred upon the Attorney General pursuant to Sections 4, 5, 6, and 7 of this Act.

Section 9. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

At any time prior to the institution of a suit against a person for violation of Section 3 of this Act, the Attorney General may accept an Affidavit of Discontinuance from any person who is alleged to have engaged in an activity declared by this Act to be unlawful, providing the immediate discontinuance of all practices set forth in the Affidavit, and for such other action deemed necessary to correct the results of such practices. No proceeding shall be instituted thereafter by the Attorney General or a Commonwealth Attorney on the specific activities covered by such Affidavit, unless the provisions contained in the Affidavit appear to have been violated.

Section 10. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) This Act shall not be construed to impair or limit the functioning of other agencies of this Commonwealth with jurisdiction over matters covered by this Act.

(2) The Attorney General and Commonwealth Attorney shall cooperate with any governmental agency of the Commonwealth which has statewide licensing jurisdiction over a subject matter covered by this Act to avoid duplication of investigation or remedial action.

Section 11. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

The Court may make such additional orders or judgments as

it deems necessary, to restore to any person in interest any moneys or property, real or personal, which may have been acquired by means of any practice in this Act declared to be unlawful, and/or the appointment of a receiver or the revocation of a license or certificate authorizing that person to engage in business in this state, or both.

Section 12. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

When a receiver is appointed by the Court pursuant to this Act, he shall have the power to sue for, collect, receive and take into his possession all the goods and chattels, rights and credits, moneys and effects, land and tenements, books, records, documents, papers, choses in action, bills, notes and property of every description, derived by means of any practice declared to be illegal and prohibited by this Act, including property with which such property has been mingled if it cannot be identified in kind because of such commingling, and to sell, convey, and assign the same and hold and dispose of the proceeds thereof under the direction of the Court. Any person who has suffered damages as a result of the use of employment of any unlawful practices and submits proof to the satisfaction of the Court that he has in fact been damaged, may praticipate with general creditors in the distribution of the assets to the extent he has sustained out-of-pocket losses. In the case of a partnership or business entity, the receiver shall settle the estate and distribute the assets under the direction of the Court. The Court shall have jurisdiction of all questions arising in such proceedings and may make such orders and judgments therein as may be required.

Section 13. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person who purchases or leases goods or services primarily for personal, family or household purposes and thereby suffers any ascertainable loss of money or property, real or personal, as a result of the use or employment by another person of a method, act or practice declared unlawful by Section 3 of this Act, may bring an action under the Kentucky Rules of Civil Procedure in any court with jurisdiction in the county in which the buyer, seller or lessor resides, or in which the seller or lessor

has his principal place of business or is doing business, to recover actual damages or $200, whichever is greater. The Court may, in its discretion, provide such equitable relief as it deems necessary or proper, and, having found the violation to have been wilful, award punitive damages.

(2) Persons entitled to bring an action under Subsection (1) of this Section may, if the unlawful method, act or practice has caused similar injury to numerous other persons similarly situated and if they adequately represent such similarly situated persons, bring an action on behalf of themselves and other similarly situated and injured persons to recover actual damages. In any action brought under this Section, the Court may in its discretion order, in addition to damages, order injunctive or other equitable relief.

(3) Upon commencement of any action brought under Subsection (1) of this Section the clerk of the court shall mail a copy of the complaint or other initial pleading to the Attorney General and, upon entry of any judgment or decree in the action, shall mail a copy of such judgment or decree to the Attorney General.

(4) In any action brought by a person under this Section, the Court may award, in addition to the relief provided in this Section, reasonable attorney's fees and costs.

(5) Any permanent injunction, judgment or order of the Court made under Section 3 of this Act shall be prima facie evidence in an action brought under Section 14 of this Act that the respondent used or employed a method, act or practice declared unlawful by Section 3 of this Act.

Section 14. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) If a Court after appropriate notice and hearing shall make a finding that a person has violated the provisions of any injunction or order issued pursuant to this Act, the Court may assess such civil contempt penalty as it deems appropriate.

(2) Any person who violates the terms of an injunction or affidavit of discontinuance issued under Sections 3 or 7 of this Act shall forfeit and pay to the Commonwealth a civil penalty

of not more than twenty-five hundred dollars ($2500) per violation. For the purposes of this section, the Court issuing an injunction shall retain jurisdiction, and the cause shall be continued, and in such cases the Attorney General or Commonwealth's Attorney acting in the name of the Commonwealth may petition for recovery of civil penalties.

(3) In any action brought under Section 3 of this Act, if the Court finds that a person is willfully using or has willfully used a method, act or practice declared unlawful by Subsection (1) of Section 3 of this Act, the Attorney General or Commonwealth's Attorney, upon petition to the Court, may recover on behalf of the Commonwealth, a civil penalty of not exceeding two thousand dollars ($2,000.00) per violation.

(4) If any person persistently engages in a course of conduct declared by Section 3 (1) of this Act to be unlawful, or is willfully using or has willfully used an act or practice which is in substantial violation of Subsection (1) of Section 3 of this Act, the Attorney General or Commonwealth's Attorney may apply to the Court and, after hearing thereon, request an order vacating, annulling or suspending the corporate charter of a corporation created by or under the laws of this Commonwealth or revoking or suspending the certificate of authority to do business in this Commonwealth of a foreign corporation or revoking or suspending any other licenses, permits or certificates issued pursuant to law to such person which are being or have been used to further the unlawful act or practice.

(5) For the purpose of this section, a wilful violation of Subsection (1) of Section 3 of this Act occurs when the party committing the violation knew of or should have known that his conduct was a violation of Subsection (1) of Section (3) of this Act.

Section 15. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

If any provision of this Act or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable.

Committee Substitute, HB 437, AN ACT relating to business and consumer protection.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

The purpose of this Act shall be to protect business and consumers from consumer fraud and deceptive practices in the conduct of any trade or commerce in part or wholly within this Commonwealth.

Section 2. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act unless the context otherwise requires:

(1) "Court," except as otherwise specified in Section 15 of this Act, means the circuit court in any county of this Commonwealth where the alleged or suspected practice declared unlawful by this Act has been partially or completely performed, or in that county in which the person alleged or suspected to have violated this Act has his principal place of business in the Commonwealth.

(2) "Advertisement" means any publication, dissemination, solicitation, endorsement or circulation—visual, oral or written—which tends to induce, directly or indirectly, any person to enter or not to enter into any obligation, or acquire any title or interest in any merchandise or service or increase the consumption thereof.

(3) "Merchandise" means any objects, wares, goods, commodities, intangibles, real estate, or anything offered, directly or indirectly, to the public for sale;

(4) "Service" means any maintenance, repair, or advice, by any person in the conduct of any occupation;

(5) "Person" means any natural person or his legal representative, any domestic or foreign individual, corporation, business, estate, trust, partnership, incorporated or unincorporated association, two or more of the foregoing having a joint or common interest, any other legal or commercial entity or any agent,

employee, salesman, partner, officer, director, member, stockholder, associate, trustee, or cestui que trust thereof.

(6) "Sale" means any sale, rental or distribution, offer for sale, rental or distribution, or attempt directly or indirectly to sell, rent or distribute any merchandise or service for any consideration.

Section 3. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) The act, use or employment by any person of any deception, fraud, false pretense, false promise or misrepresentation, or the knowing concealment of a material fact, in connection with the sale or advertisement of any merchandise or service, or with the subsequent performance of such person aforesaid, is an unlawful practice.

(2) Subsection (1) of this Section shall not apply to the owner or publisher of newspapers, magazines or publications wherein such advertising appears, or to the owner or operator of a radio or television station which disseminates such advertisement when the owner, publisher or operator has no knowledge that such advertisement may be in violation of Section 3(1) of this Act.

(3) The Attorney General or any Commonwealth Attorney may enforce the provisions of this Section by civil action for injunctive relief in a court of this Commonwealth. In such action to obtain said injunction it shall be sufficient to allege and prove that a violation of this Act has occurred, and it shall not be necessary to allege or prove that any person has been misled or deceived thereby, or that any person has been damaged or has sustained loss as a result of any violation of this Act. The Commonwealth Attorney may bring an action under this subsection if:

(a) he has notified the Attorney General twenty (20) days prior to bringing the action unless the Attorney General, upon being so notified, authorizes the Commonwealth Attorney to proceed before the expiration of the twenty (20) days, and

(b) the Attorney General has not initiated an action under this subsection or accepted an Affidavit of Discontinuance concerning the specific activities covered by the Commonwealth Attorney's action under this subsection.

Section 4. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) When it appears to the Attorney General that it would be in the public interest that an investigation should be made of a suspected or alleged violation of this Act, he may:

(a) execute in writing and cause to be served upon any person who is believed to have information, documentary material or physical evidence relevant to the suspected or alleged violation, an investigative demand requiring such person to furnish, under oath or otherwise, a report in writing setting forth the relevant facts and circumstances of which he has knowledge; or

(b) require such person to appear and testify or to produce relevant documentary material or physical evidence for examination, at such reasonable time and place as may be stated in the investigative demand, concerning the advertisement, sale or offering for sale of any goods or services or the conduct of any trade or commerce that is the subject matter of the investigation; or

(c) administer an oath or affirmation to any person and conduct hearings in aid of any investigation or inquiry.

(2) At any time before the return date specified in an investigative demand, or within twenty days after the demand has been served, whichever period is shorter, a petition to extend the return date, or to modify or set aside the demand, stating good cause, may be filed in the court.

(3) Any person may apply to a circuit court for an appropriate order to protect such person from any unreasonable investigative action taken pursuant to this Act.

(4) Upon showing of probable cause to believe that information will not be obtainable pursuant to Subsection (1) of this Section, a court may grant an application ex parte by the Attorney General for an order impounding any record, book, document, account, paper or sample of merchandise, material to such practice under investigation. Such motion shall state in writing the grounds which the Attorney General believes constitute probable cause. The court shall specify the length of time for copy or inspection by order.

Section 5. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

Any book, record, paper, memorandum or other documentary information produced by any person pursuant to this Act, or any copy thereof, shall not, unless otherwise ordered by a court of this Commonwealth for good cause shown, be disclosed to any person other than the Attorney General or his authorized agent or representative or other governmental agency, unless the consent of the person producing the same is obtained, or such documentary information is filed as a matter of record in the Court having jurisdiction in the action. No information obtained pursuant to this Act shall be used in a criminal prosecution, provided that this shall not be construed to prevent the Attorney General or his agent from informing any Commonwealth or County Attorney of the existence of a crime nor to prevent said Commonwealth or County Attorney from using the same or similar matters if otherwise obtained.

Section 6. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) Service of a demand pursuant to Section 4 of this Act may be had to the fullest extent permitted by the Constitution of the United States.

(2) Service of any notice or demand under this Act shall be made personally within this State, but if such cannot be obtained, substituted service therefore may be made in the following manner:

(a) Personal service thereon without this State; or

(b) The mailing thereof by registered or certified mail to the last known place of business, residence or abode within or without this State of such person for whom the same is intended; or

(c) As to any person other than a natural person, in the manner provided in the Kentucky Rules of Civil Procedure as if a complaint had been filed; or

(d) Such service as a circuit court may direct in lieu of personal service.

Section 7. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

Personal service of any process in an action under this Act may be made upon any person outside of the State if such person has engaged in conduct in violation of this Act in this State. Such persons shall be deemed to have thereby submitted themselves to the jurisdiction of the courts of this State within the meaning of this section.

Section 8. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

If any person fails or refuses to file any statement or report, or obey any investigative demand issued by the Attorney General pursuant to Section 4 of this Act, the Attorney General may, after notice, apply to a Court, and after hearing thereon, request an order:

(1) Granting injunctive relief to restrain the person from engaging in the advertising or sale of any merchandise or the conduct of any trade or commerce that is involved in the alleged or suspected violation;

(2) Punishing the person as in other cases of contempt; or

(3) Granting such other relief as may be required, until the person files the statement or report, or obeys the investigative demand.

Section 9. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person with actual notice that an investigation has begun or is about to begin pursuant to this Act who intentionally conceals, alters, destroys, or falsifies documentary material is subject to a fine of not less than one hundred dollars nor more than five thousand dollars.

(2) Any person who in response to a subpoena or demand as provided in Section 4 of this Act who intentionally falsifies or withholds documents, records, or pertinent materials that are not privileged, is subject to a fine as provided in Section 9(1) of this Act.

Section 10. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

Whenever it appears that the public interest will be served by doing so, the Attorney General may authorize the Commonwealth Attorney to utilize, in any investigation the Commonwealth Attorney may have undertaken concerning alleged or suspected violations of this Act, the powers conferred upon the Attorney General pursuant to Sections 4, 5, 6, and 8 of this Act.

Section 11. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

At any time prior to the institution of a suit against a person for violation of Section 3 of this Act, the Attorney General may accept an Affidavit of Discontinuance from any person who is alleged to have engaged in an activity declared by this Act to be unlawful, providing the immediate discontinuance of all practices set forth in the Affidavit, and for such other action deemed necessary to correct the results of such practices. No proceeding shall be instituted thereafter by the Attorney General or a Commonwealth Attorney on the specific activities covered by such Affidavit, unless the provisions contained in the Affidavit appear to have been violated.

Section 12. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) This Act shall not be construed to impair or limit the functioning of other agencies of this Commonwealth with jurisdiction over matters covered by this Act.

(2) The Attorney General and Commonwealth Attorney shall cooperate with any governmental agency of the Commonwealth which has statewide licensing jurisdiction over a subject matter covered by this Act to avoid duplication of investigation or remedial action.

Section 13. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

In addition to any relief granted in an action brought under Section 3 of this Act, the Court may grant such other relief as it deems necessary, including, but not limited to, the restoration of

moneys or property, real or personal, which may have been acquired by means of any practice in this Act declared to be unlawful, if such person presents his claim to the court in a manner prescribed by the court. Nothing in this section shall be construed to limit a defendant's right to examine, impeach and rebut evidence presented against him.

Section 14. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

The additional relief authorized by Section 13 of this Act may include the appointment of a receiver. When a receiver is appointed by the Court pursuant to this Act, he shall have the power to sue for, collect, receive and take into his possession all the goods and chattels, rights and credits, moneys and effects, land and tenements, books, records, documents, papers, choses in action, bills, notes and property of every description, derived by means of any practice declared to be illegal and prohibited by this Act, including property with which such property has been mingled if it cannot be identified in kind because of such commingling, and to sell, convey, and assign the same and hold and dispose of the proceeds thereof under the direction of the Court. Any person who has suffered damages as a result of the use of employment of any unlawful practices and submits proof to the satisfaction of the Court that he has in fact been damaged, may participate with general creditors in the distribution of the assets to the extent he has sustained out-of-pocket losses. In the case of a partnership or business entity, the receiver shall settle the estate and distribute the assets under the direction of the Court. The Court shall have jurisdiction of all questions arising in such proceedings and may make such orders and judgments therein as may be required.

Section 15. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person who purchases or leases merchandise or services primarily for personal, family or household purposes and thereby suffers any ascertainable loss of money or property, real or personal, as a material result of the act, use or employment by another person of a method, act or practice declared unlawful by Section 3 of this Act, may bring an action under the

Kentucky Rules of Civil Procedure in any court with jurisdiction in the county in which the buyer, seller or lessor resides, or in which the seller or lessor has his principal place of business or is doing business, to recover actual damages or $200, whichever is greater. The Court may, in its discretion, provide such equitable relief as it deems necessary or proper, and, having found the violation to have been wilful, award punitive damages.

(2) Persons entitled to bring an action under Subsection (1) of this Section may, if the unlawful method, act or practice has caused similar injury to numerous other persons similarly situated and if they adequately represent such similarly situated persons, bring an action on behalf of themselves and other similarly situated and injured persons to recover actual damages. In any action brought under this Section, the Court may in its discretion order, in addition to damages, injunctive or other equitable relief.

(3) Upon commencement of any action brought under Subsection (1) of this Section the clerk of the court shall mail a copy of the complaint or other initial pleading to the Attorney General and, upon entry of any judgment or decree in the action, shall mail a copy of such judgment or decree to the Attorney General.

(4) In any action brought by a person under this Section, the Court may award, in addition to the relief provided in this Section, reasonable attorney's fees and costs.

(5) Any permanent injunction, judgment or order of the Court made under Section 3 of this Act shall be prima facie evidence in an action brought under Section 15 of this Act that the respondent used or employed a method, act or practice declared unlawful by Section 3 of this Act.

Section 16. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows:

(1) If a Court after appropriate notice and hearing shall make a finding that a person has violated the provisions of an injunction or affidavit of discontinuance issued under Sections 3 or 8 of this Act he shall forfeit and pay to the Commonwealth a civil penalty of not more than twenty-five hundred dollars ($2500) per violation. For the purposes of this section, the Court

issuing an injunction shall retain jurisdiction, and the cause shall be continued, and in such cases the Attorney General or Commonwealth's Attorney acting in the name of the Commonwealth may petition for recovery of civil penalties.

(2) If any person persistently and knowingly engages in a course of conduct declared by Section 3(1) of this Act to be unlawful, the Attorney General may apply to the Court and, after hearing thereon, request an order vacating, annulling or suspending the corporate charter of a corporation created by or under the laws of this Commonwealth or revoking or suspending the certificate of authority to do business in this Commonwealth of a foreign corporation or revoking or suspending any other licenses, permits or certificates issued pursuant to law to such person which are being or have been used to further the unlawful act or practice.

Section 17. A new section of Chapter 367 of the Kentucky Revised Statutes is created to read as follows

If any provision of this Act or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable.

SB 59, AN ACT relating to the State Police Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 16 of the Kentucky Revised Statutes is created to read as follows:

"Early Retirement Date" means the retirement date declared by a member who is not less than fifty years of age and has twenty years of service.

Section 2. Section 16.520 of the Kentucky Revised Statutes is amended to read as follows:

(1) Membership in the system shall consist of all officers of the Kentucky State Police on July 1, 1958, who are entitled to

exercise the powers of peace officers, and who hold permanent rank in the Division of State Police up to and including the rank of captain, and all persons who become such officers subsequent to July 1, 1958.

(2) A member with *five* [ten] or more years of service credit in the State Police Retirement System who accepts regular full-time employment with the Department of Public Safety in a position ordinarily included in the Kentucky Employes Retirement System may, upon the recommendation of the State Police Personnel Board and approval of the Board of Trustees of the Retirement Systems, elect to retain membership in the State Police Retirement System.

(3) After July 1, 1958, no person who is age thirty-one or over shall be eligible to become an employe of the Kentucky State Police.

(4) Reciprocal rights provided for in subsection (2) of this section may be exercised retroactively by a member in service on or after July 1, 1968.

Section 3. Section 16.576 of the Kentucky Revised Statutes is amended to read as follows:

(1) A member shall terminate employment on his normal retirement date.

(2) Any member with at least five years of service credit may retire at his normal retirement date, or subsequent thereto, upon written notification to the board, setting forth at what time the retirement is to become effective, provided that such effective date shall be after his last day of service and subsequent to the filing of such notice.

(3) The member shall have the right to elect to have his retirement allowance payable under any one of the plans set forth in this section. The member shall not have the right to revoke such election after the initial benefit payment has been drawn by the State Treasurer.

(4) The member may elect to receive an annual retirement allowance, payable monthly during his lifetime, equal to two percent of final compensation for each year of service credit.

(5) The member may elect to receive a decreased monthly retirement allowance during his lifetime and have one-half of such retirement allowance continued after his death to his spouse or a dependent receiving at least one-half of his support from the member, during the lifetime of such person. Such benefit payments shall be actuarially equivalent to the retirement allowance payable under subsection (4) of this section.

(6) The member may elect to receive a monthly retirement allowance payable for ten years certain, actuarially equivalent to the retirement allowance payable under subsection (4) of this section.

(7) The member may elect to receive a decreased monthly retirement allowance during his lifetime and have such retirement allowance continued after his death to his spouse or a dependent receiving at least one-half of his support from the member, during the lifetime of such person. Such benefit payments shall be actuarially equivalent to the retirement allowance payable under subsection (4) of this section.

(8) Notwithstanding any other provisions of this section, upon written notification to the board, a member shall have the option to defer his election to receive his retirement allowance. The retirement allowance payable under a deferred option shall be increased to reflect the deferred receipt of benefits.

Section 4. A new section of Chapter 16 of the Kentucky Revised Statutes is created to read as follows:

Upon retirement at early retirement date, a member may receive an annual retirement allowance payable monthly during his lifetime which shall be determined in the same manner as for retirement at his normal retirement date, with years of service and final compensation being determined as of the date of his actual retirement, but the amount of the retirement allowance so determined shall be reduced to reflect the earlier commencement of benefits.

Section 5. Section 16.578 of the Kentucky Revised Statutes is amended to read as follows:

(1) If a member, eligible to retire on benefits payable as provided in KRS 16.576, dies at any time before the first benefit

payment has been drawn by the State Treasurer and has on file with the board at the time of his death a written designation of a beneficiary, who is his spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive an annual benefit payable monthly which shall be equal to the benefit that would have been paid had the member retired immediately prior to his date of death and elected to receive payments under subsection (7) of KRS 16.576 or the said beneficiary may elect the actuarial equivalent payable for one hundred twenty months certain.

(2) If a member in *active employment or on authorized leave of absence* [service] with eight or more years of service dies at any time before his normal retirement date and has on file with the board at the time of his death a written designation of a beneficiary, who is his spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive an annual benefit payable monthly *commencing in the month following the member's death* which shall be equal to the benefit the member would have been entitled to receive, based on his age, years of service and final compensation at the date of his death, had the member been eligible for retirement and had he chosen benefits payable under subsection (7) of KRS 16.576 or the said beneficiary may elect the actuarial equivalent payable for one hundred twenty months certain.

(3) If a member, not in active employment nor on authorized leave of absence with twelve or more years of service, dies at any time before his normal retirement date and has on file with the board at the time of his death a written designation of a beneficiary, who is his spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive an annual benefit payable monthly commencing in the month following the member's death which shall be equal to the benefit the member would have been entitled to receive, based on his age, years of service and final compensation at the date of his death, had the member been eligible for retirement and had he chosen benefits payable under subsection (7) of KRS 16.576 or the said beneficiary may elect the actuarial equivalent payable for one hundred twenty months certain.

Section 6. Section 16.581 of the Kentucky Revised Statutes is amended to read as follows:

(1) In the event disability is total and permanent as provided in KRS 16.580 and occurs on or after July 1, 1968 as a direct result of an "act in line of duty", the member in service shall retire on his disability retirement date and shall be eligible to receive retirement benefits as follows:

(a) For the disabled member, a lump sum payment of $10,000 or an annual retirement allowance payable monthly equal to two percent of final compensation multiplied by the number of years of service.

(b) For each dependent child of the member on his disability retirement date, who is alive, unmarried and under age eighteen at the time any particular payment is due a monthly payment of $50.

(2) In the event disability is total and permanent as provided in KRS 16.580 and is not a direct result of an "act in line of duty," the member in service with eight years of service credit shall retire on his disability retirement date and shall be eligible to receive *benefits under KRS 16.576 (4) through KRS 16.576 (7).* [an annual retirement allowance payable monthly equal to two percent of final compensation multiplied by the number of years of service, provided such annual retirement allowance shall not be less than $480.]

(3) No benefit provided in this section shall be reduced as a result of any change in the extent of disability of any retired member who is age fifty-five or over.

Section 7. Section 16.591 of the Kentucky Revised Statutes is amended to read as follows:

(1) In the event disability is partial as provided in subsections (1) and (2) of KRS 16.586 and as determined by the board, a member in service with ten years of service credit may retire on his disability retirement date and shall be eligible to receive *benefits under KRS 16.576 (4) through 16.576 (7), except that the monthly retirement allowance shall be reduced by his disability ratio.* [an annual retirement allowance payable monthly equal to two percent of final compensation multiplied

by the number of years of service and this product multiplied by the disability ratio.]

(2) In event disability is partial as provided in subsection (3) of KRS 16.586 and as determined by the board, such member shall be eligible to receive *benefits under KRS 16.576 (4) through KRS 16.576 (7), except that the member's service credit shall include the period of total and permanent disability, and the monthly retirement allowance shall be reduced by his disability ratio.* [an annual retirement allowance payable monthly equal to two percent of final compensation multiplied by the number of years of service, including the period of total and permanent disability and this product multiplied by the disability ratio.] Payments shall begin in the month following the termination of payments under total and permanent disability.

(3) No benefit provided in this section shall be reduced as a result of any change in the extent of disability of any retired member who is age fifty-five or over.

SB 180, AN ACT relating to public buildings.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 56 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act:

(1) "Board" means the Board to Facilitate the Use of Public Buildings by the Physically Handicapped, created by Section 3 of this Act.

(2) "Commissioner" means the Commissioner of Finance.

(3) "Department" means the Department of Finance.

(4) "Physically handicapped person" means a person confined to a wheelchair, a person who, because of the use of braces or crutches or because of the loss of a foot or leg or because of an arthritic, spastic, pulmonary or cardiac condition, walks with difficulty or insecurity, a person who, due to a brain, spinal or peripheral nerve injury, suffers from a faulty coordination or palsy, a person who is blind or whose sight is so impaired that, functioning in a public area, he is insecure or exposed to danger,

a person whose hearing is so impaired that he is unable to hear warning signals, and a person whose mobility, flexibility, coordination and perceptiveness are significantly reduced by aging.

(5) "Public building" means any building constructed by the Commonwealth or by authorities created by the Commonwealth or any political subdivision thereof with public funds and generally open to public use.

Section 2. A new section of Chapter 56 of the Kentucky Revised Statutes is created to read as follows:

(1) The board shall make, and may from time to time alter, amend or rescind, rules and regulations designed to make public buildings accessible to, functional for, and safe for use by, physically handicapped persons. So long as any such rule or regulation is in effect, no public building shall be constructed, reconstructed, or substantially altered except in conformity therewith unless upon application of the officer in charge of the construction, reconstruction or alteration, the board determines that compliance with the rule or regulation is impracticable in the particular case, in which event, unless the rule or regulation is wholly waived the construction, reconstruction, alteration, or remodeling shall conform to such modification of, or substitution for, such rule or regulation as the board may prescribe.

(2) Any rule or regulation may, to the extent that said board deems it generally practicable, provide that public buildings in existence on its promulgation shall be subject to it after a date, not sooner than three years after its promulgation, as it shall specify. No public building shall be maintained after the specified date except in conformity with the rule or regulation unless upon application of the board or officer in charge of such building, said board shall determine compliance with such rule or regulation to be impracticable in the particular case, in which event, unless such rule or regulation is wholly waived, such building shall be maintained in conformity with the modification of, or substitution for, the rule or regulation as the board prescribes.

Section 3. A new section of Chapter 56 of the Kentucky Revised Statutes is created to read as follows:

(1) A Board to Facilitate the Use of Public Buildings by the Handicapped is created within the Department of Finance, but it is not subject to the control of the commissioner. The board consists of the commissioner, or a member of the department designated by him in a writing filed with the Secretary of State, and six members appointed by the Governor. Of the members initially appointed by the Governor, two shall serve for two years, two for three years and two for four years, respectively, according to the terms of their respective appointments. Upon the expiration of the term of a member appointed by the Governor, his successor shall be appointed for a term of four years. Any vacancy in the office of an appointive member shall be filled for the unexpired term. The chairman of the board shall be designated from time to time by the Governor. At least two of the appointive members of the board shall be physically handicapped persons.

(2) Each appointive member of said board shall be paid $25 per diem for each day while in the actual performance of his duties as such, and shall also receive from the Commonwealth all expenses necessarily incurred by him in the performance of his duties.

(3) Clerical, technical and other assistants required by the board shall be assigned to it by the commissioner.

Section 4. A new section of Chapter 56 of the Kentucky Revised Statutes is created to read as follows:

The board has all necessary powers to require compliance with its rules and regulations, and modifications thereof and substitutions therefor, including power to institute and prosecute proceedings in the circuit court to compel such compliance, and is not required to pay any filing fee or deposit any bond in connection with the institution of any such proceeding.

The Committee on Elections and Constitutional Amendments reported **HB 270** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 270, AN ACT proposing to amend Section 256 of the Constitution of Kentucky, relating to amending the Constitution of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is proposed that Section 256 of the Constitution of Kentucky, relating to amending the Constitution of Kentucky, be amended to read as follows:

Amendments to this Constitution may be proposed in either House of the General Assembly [at a regular session], and if such amendment or amendments shall be agreed to by three-fifths of all the members elected to each House, such proposed amendment or amendments, with the yeas and nays of the members of each House taken thereon, shall be entered in full in their respective journals. Then such proposed amendment or amendments shall be submitted to the voters of the State for their ratification or rejection at the next general election *at which* [for] members of the House of Representatives *are not elected,* the vote to be taken thereon in such manner as the General Assembly may provide, and to be certified by the officers of election to the Secretary of State in such manner as shall be provided by law, which vote shall be compared and certified by the same board authorized by law to compare the polls and give certificates of election to officers for the State at large. If it shall appear that a majority of the votes cast for and against an amendment at said election was for the amendment, then the same shall become a part of the Constitution of this Commonwealth, and shall be so proclaimed by the Governor, and published in such manner as the General Assembly may direct. Said amendments shall not be submitted at an election which occurs less than ninety days from the final passage of such proposed amendment or amendments. Not more than *five* [two] amendments shall be voted upon at any one time; nor shall the same amendment be again submitted within five years after submission. Said amendments shall be so submitted as to allow a separate vote on each, and no amendment shall relate to more than one subject. But no amendment shall be proposed by the first General Assembly which convenes after the adoption of this Constitution. The approval of the Governor shall not be necessary to any bill, order, resolution or vote of the General Assembly, proposing an amendment or amendments to this Constitution.

Section 2. This amendment embodying the subject set forth in Section 1 shall be submitted to the voters of the Com-

monwealth for their ratification or rejection at the time and in the manner provided for under Sections 256 and 257 of the Constitution of Kentucky and under Sections 118.170 and 118.430 of the Kentucky Revised Statutes.

Introduction of Bills and Resolutions (Continued)

HB 666, by Representative May: AN ACT relating to the administration of estates.

HB 667, by Representatives Schmidt and Rickert: AN ACT relating to blind persons.

HB 668, by Representative Roberts: AN ACT proposing an amendment to the mode of revision of the Constitution of Kentucky relating to the calling of Constitutional Conventions.

HB 669, by Representatives Wyatt, W. J. Reynolds, Schmidt, Wheeler, Haney, Wright, Blume and Blandford: AN ACT relating to conflict of interest.

Calendar

HB 57, HB 451, HB 452 and **HR 68** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

Representative Allen requested that he be recorded as voting "nay" on **SB 139** which passed on March 2, 1970.

Representatives W. J. Reynolds and Allen requested that their names be added as co-sponsors of **HB 436.**

Representative Conn moved that **HB 220** which passed the House on March 2, 1970, be recalled from the Senate for the purpose of amending.

On the roll call the vote was yeas 35—Blandford, Bleemel, Blume, Clarke, Conn, Curlin, Walter Davis, Freeman, Graves, John O. Hardin, Head, Hughes, Isler, Kenton, Kessinger, Kidd, Kleier, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McNamara, Mershon, Mitchell, Nett, Peak, Reed, T. P. Reynolds, W. J. Reynolds, Rickert, Wenz, Wyatt. Nays 42—Arnett, Baker, Blythe, A. Brown, E. G. Brown, H. Brown, Carter, Clapp, Collins, DeMarcus, Dorris, Durham, Floyd, L. Hardin, Holloway, Huff, Keene, Keith, McKinney, Miller, Osborne, Paxton, Pollitte, Priddy, Rattliff, Ray, R. Reynolds, Ruh, Schmidt, Sharpe, Simmons, Stuart, Swinford, Van Horn, Wells, West, Wheeler, G. White, J. White, Wible, Wright, Yocom.

The motion that **HB 220** be recalled from the Senate was rejected.

Representative Ruh withdrew an amendment filed to **HB 65** on February 24, 1970.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 102, HB 201** and **HB 165** had been examined and found correctly enrolled. **HB 102, HB 201** and **HB 165** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 102, HB 201 and **HB 165** delivered, signed by President. Ordered delivered to the Governor.

Motions, Petitions and Communications (Continued)

Representative Swinford filed an amendment to **HB 442.**

Representative Salyers filed an amendment to **SB 18.**

Representatives Conn and Knuckles requested that they be recorded as voting "nay" on the passage of **HB 220** on March 2, 1970. Agreed.

Representative E. G. Brown moved that the Rules be suspended for the adoption of a Resolution. Agreed.

Representative E. G. Brown moved the adoption of **HR 74.**

HR 74, A RESOLUTION congratulating the Ohio Valley Conference Champions.

WHEREAS, the Ohio Valley Conference was the first major conference in the nation to determine its basketball championship; and

WHEREAS, Western Kentucky University has once again waved the red towel and achieved the Ohio Valley Conference basketball championship without a loss in conference play; and

WHEREAS, the red towel, now trimmed with solemn black, is now, as it has been, a fitting battle flag to lead the Hilltoppers to victory; and

WHEREAS, Coach John Oldham is deserving of special tribute for having formed from outstanding individual talent a unit of outstanding team success;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That this House of Representatives wishes Coach John Oldham and his fine Western Kentucky Hilltoppers success and victory in their NCAA tournament play.

Agreed.

The following members requested that they be recorded as sponsors of **HR 74:**

Representatives — Alexander, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom.

Senate Message

Announcing passage of **SB 167, SB 228** and **HB 29.**

Orders of the Day

Representative McBrayer moved that consideration of **HB 65** be deferred and that it retain its position in Orders of the Day. Agreed.

Representative McBrayer moved that **SB 115** be substituted for **HB 95.** Agreed.

SB 115 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 56—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Carroll, Carter, Clarke, Conn, Curlin, Deskins, Donnermeyer, Graves, Haney, John O. Hardin, Hinkle, Huff, Hughes, Isler, Keene, Kenton, Kidd, King, Kleier, Lewis, Lindsay, McBrayer, McBride, McCann, May, Mershon, Miller, Mitchell, Murphy, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Swinford, Wenz, Glenn White, Wible, Wyatt, Yocom. Nays 30—A. Brown, H. Brown, Bruce, Collins, W. Davis, DeMarcus, Dorris, Durham, Floyd, Freeman, L. Hardin, Keith, Kessinger, Knuckles, Lovins, McKinney, Nett, Osborne, Parish, Rattliff, Reed, Sharpe, Simmons, Stuart, Tobin, Van Horn, West, Wheeler, J. White, Wright.

SB 115 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **SB 115** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Lewis filed an amendment to **HB 225.**

HJR 48 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that

it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 50–Alexander, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Bruce, Clapp, Clarke, Conn, Curlin, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Hinkle, Huff, Hughes, Isler, Keene, Kenton, Kidd, Lewis, McBride, McNamara, Mershon, Miller, Nett, Osborne, Parish, Peak, Prather, Priddy, Ray, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Swinford, Van Horn, Wenz, West, Glenn White, Wible, Wyatt. Nays 13–DeMarcus, Donnermeyer, Dorris, Holloway, Lovins, McCann, Murphy, Paxton, Reed, Ruh, Schmidt, Simmons, J. White.

HJR 48 was passed and the title agreed to.

Representative Swinford moved that the vote by which **HJR 48** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 61 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage.

Representative Arnett moved the adoption of **HR 61.** Agreed.

HR 61, A RESOLUTION requesting the Kentucky Department of Parks to build a lodge at Blue Lick State Park.

WHEREAS, Blue Licks State Park, located in Robertson County, is the only state park in that area of the Commonwealth; and

WHEREAS, Blue Licks State Park is ideally situated for development as a major park due to its location near population centers in northern and central Kentucky; and

WHEREAS, the 100 acre tract is unspoiled area of quiet forest scenes spread over the foothills of Kentucky, appearing today much as it did when herds of buffalo followed the trail to the salt springs at Blue Licks; and

WHEREAS, the Park is located on the site of the Battle of Blue Licks, which was fought on August 19, 1782 and was the last battle of the American Revolution; and

WHEREAS, the Blue Lick Springs were the site of a fashionable resort hotel in the nineteenth century; and

WHEREAS, within a few miles of the park can be found the famous covered bridge of Fleming County, Kentucky, which are among the few remaining in this country and are justifiably described as providing a magnificent view of great historical interest; and

WHEREAS, there is located within a few minutes drive of the park the historic town of Washington, Kentucky, whose buildings of the Post Revolutionary War period have been artfully and faithfully preserved for the edification of present and future generations and includes the home of Albert Syndey Johnson, the famous Civil War General.

WHEREAS, the present park facilities include picnic and playground area, swimming pool, and a museum of items found near the springs, ranging from skeletons of Ice Age animals down to Kentucky Indian relics and artifacts; and

WHEREAS, the nucleus of a major state park already exists, so that only the creation of a lodge is needed to create a complete recreational facility; and

WHEREAS, the erection, operation and maintenance of such an installation would provide employment for many persons in the region;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Kentucky Department of Parks be and it is hereby requested to erect, maintain and operate a lodge providing sleeping accommodations and restaurant facilities at the Blue Licks State Park.

HB 49 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89—Alexander, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown,

Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 49 was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 49** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 81 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 85—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keith, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Russell Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 0.

HB 81 was passed and the title agreed to.

Representative Swinford moved that the vote by which **HB 81** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 139** and **SB 198** had been examined and found correctly enrolled. **SB 139** and **SB 198** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day (Continued)

Representative J. Hardin moved that consideration of **HB 79** and **HB 92** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 166 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 83—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carter, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keith, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, Rickert, Roberts, Ruh, Salyers, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 2—Bruce, Paxton.

HB 166 was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 166** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 351 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 91—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 351 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 351** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 395 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Blythe moved the Previous Question on **HB 395**.

On the roll call the vote was yeas 59—Alexander, Allen, Arnett, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Carroll, Clapp, Clarke, Collins, Conn, Curlin, Walter Davis, Deskins, Dorris, Floyd, Graves, Head, Hinkle, Holloway, Hughes, Isler, Keene, Kenton, Kidd, Knuckles, Lewis, McBrayer, McBride, McCann, McKinney, Massey, May, Mershon, Miller, Mitchell, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Simmons, Stuart, Tobin, Wenz, Glenn White, Wible, Wright, Wyatt. Nays 22—Baker, A. Brown, Carter, Donnermeyer, Freeman, L. Hardin, Huff, Keith, Kessinger, King, Kleier, Lovins, Murphy, Nett, Osborne, Roberts, Sharpe, Swinford, Van Horn, West, Wheeler, Yocom.

The motion on the Previous Question was adopted.

Representative King moved that **HB 395** be laid on the table.

On the roll call the vote was yeas 40—Allen, Baker, Archie Brown, Hershel Brown, Bruce, Collins, James A. Davis, Walter Davis, Donnermeyer, Durham, Floyd, Freeman, John O. Hardin, L. T. Hardin, Hinkle, Huff, Hughes, Keith, Kessinger, King, Knuckles, Lovins, McKinney, Mitchell, Murphy, Nett, Osborne, Rattliff, Reed, Roberts, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Van Horn, West, Wheeler, John E. White. Nays 41—Alexander, Arnett, Blandford, Bleemel, Blume, Blythe, E. G. Brown, Carroll, Clapp, Conn, Curlin, Dorris, Graves, Isler, Keene, Kenton, Kidd, Kleier, Lewis, Lindsay, McBrayer, McBride, McCann, Massey, Mershon, Miller, Parish, Paxton, Peak, Pollitte, Priddy, R. Reynolds, T. Reynolds, W. J. Reynolds, Rickert, Tobin, Wenz, G. White, Wible, Wright, Wyatt.

The motion that **HB 395** be laid on the table was rejected.

On the roll call the vote was yeas 45—Alexander, Arnett, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Carroll, Carter, Clapp, Conn, Curlin, Deskins, Dorris, Graves, Head, Isler, Keene, Kenton, Kessinger, Kidd, Kleier, Lindsay, McBrayer, McBride, McCann, Massey, May, Mershon, Miller, Paxton, Peak, Prather, Priddy, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Wenz, Glenn White, Wible, Wright, Wyatt. Nays 42—Allen, Baker, A. Brown, H. Brown, Collins, J. Davis, W. Davis, DeMarcus, Durham, Floyd, Freeman, J. Hardin, L. Hardin, Hinkle, Huff, Hughes, Keith, King, Knuckles, Lewis, Louden, Lovins, McNamara, Mitchell, Murphy, Nett, Osborne, Parish, Rattliff, Roberts, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, West, Wheeler, J. White.

HB 395 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 395** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer presiding.

Senate Message

Announcing passage of **SB 23, SB 93, SB 267, SB 283, SB 290, SB 311, HB 150** and **HB 208.**

Representative Carroll moved that the House concur in the following Senate Amendment to **HB 29:**

Amend printed copy of House Bill 29 on page 2, lines 6 through 8, by striking those lines

and on page 4, lines 8, 9 and 15, by striking the word "corporation" in each of those lines and substituting in each place the words "bail bondsman"

and on lines 11 and 12, by striking the words "the amount of fifty thousand dollars ($50,000)," and substituting therefor the words "an amount approved by the commissioner which is not less than $2,500 nor more than $50,000,"

and on line 16, by adding the following sentence: "Any bail bondsman may increase the deposit provided for herein from time to time."

and below line 16, by inserting the following:

"(3) The commissioner shall by regulation prescribe the maximum ratio of undischarged bail bond liability to unencumbered surplus securities which are on deposit which may be written or maintained by any bail bondsman at one time, provided, however, that such ratio shall not be less than five dollars of undischarged bail bond liability to each one dollar of such unencumbered surplus securities deposit."

and on page 5, below line 14, by inserting the following:

"(5) If a judgment against a bail bondsman under RCr 4.28 is not satisfied within five days after entry thereof, the clerk of the court rendering the judgment shall immediately notify the commissioner in writing of this fact."

and on page 8, line 11, by striking the word "or"

and on line 19, by changing the period "." to a semicolon ";"

and below line 19, by inserting the following:

"(f) Contribute any money or other thing of value, or obligation therefor, to support or defeat a candidate for election

to an office the duties of which are such that the holder thereof can exert power or influence upon the day-to-day conduct of the bail bond business; or

(g) Suggest or advise the employment of any particular attorney to represent the principal."

and on page 10, line 1, by striking the word "or"

and on line 4, by changing the period "." to a comma "," and adding thereafter the word "or"

and below line 4, by inserting the following:

"(k) Failure by any bail bondsman to pay or otherwise satisfy within five days any judgment rendered against him under RCr 4.28."

and on page 14, below line 15, by adding the following:

"Section 15. A new section of Chapter 304 of the Kentucky Revised Statutes is created to read as follows:

This Act shall not supersede or prevent the adoption of a city ordinance that imposes on bail bondsmen or the bail bond business additional requirements that are not inconsistent with this Act."

and on page 3, line 10, by adding the following:

"No person shall be licensed as a bail bondsman who has outstanding or unsatisfied judgments upon bond forfeitures in any court in this Commonwealth."

Agreed.

On the roll call the vote was yeas 93—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van

Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 29 as amended was passed and the title agreed to.

Representative Carroll moved that the vote by which **HB 29** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Speaker Carroll presiding.

HB 416 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 48—Alexander, Blandford, Bleemel, Blume, Edward G. Brown, Bruce, Carroll, Carter, Clarke, Conn, Curlin, Donnermeyer, Graves, Haney, John O. Hardin, Head, Hinkle, Hughes, Isler, Kenton, Kidd, Kleier, Lewis, Lovins, McBrayer, McBride, McCann, McNamara, Mershon, Miller, Mitchell, Murphy, Nett, Paxton, Pollitte, Prather, Priddy, T. P. Reynolds, W. J. Reynolds, Roberts, Ruh, Swinford, Van Horn, Wells, Wenz, Wible, Wyatt, Yocom. Nays 35—Baker, Blythe, A. Brown, H. Brown, Clapp, Collins, J. Davis, W. Davis, DeMarcus, Durham, Floyd, Freeman, L. Hardin, Huff, Keene, Keith, Kessinger, King, Knuckles, Lindsay, McKinney, Osborne, Parish, Peak, Rattliff, Reed, Rickert, Sharpe, Simmons, Tobin, West, Wheeler, G. White, J. White, Wright.

HB 416 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 416** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 454 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 79—Allen, Arnett, Baker, Blandford, Bleemel, Blythe, Archie Brown, Hershel Brown, Bruce, Carter, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, DeMarcus, Deskins, Donnermeyer, Durham, Floyd, Free-

man, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Lewis, Lindsay, Louden, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Stuart, Swinford, Tobin, Van Horn, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 2—Dorris, Lovins.

HB 454 was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 454** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative J. Hardin moved that consideration of **HB 225** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 388 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Baker moved the adoption of the following Amendment to **HB 388:**

Amend printed copy of House Bill 388 on page 1, lines 3, 4, 5 and 6, by striking all words through "conviction." on line 6 and substituting therefor the following:

"*(1) When any person is charged with, or may be convicted of, violating subsection (2) of this section, no evidence shall be admitted of any prior conviction of the accused and no mention shall be made of any prior conviction of the accused solely for the purpose of proving the applicability of subsection (2) of this section.*"

Agreed.

On the roll call the vote was yeas 74—Alexander, Allen, Arnett, Baker, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Clapp, Clarke, Conn, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Dorris, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin,

Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McNamara, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, W. J. Reynolds, Rickert, Ruh, Schmidt, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 4—Blythe, Collins, Durham, Freeman.

HB 388 as amended was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 388** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **SB 24** and **SB 268.**

Orders of the Day (Continued)

HB 500 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Conn moved that **HB 500** be laid on the table.

On the roll call the vote was yeas 38—Arnett, Blandford, Bleemel, Blume, Bruce, Carter, Clarke, Conn, Dorris, Graves, John O. Hardin, Hinkle, Hughes, Keene, Kenton, Kidd, Kleier, Knuckles, Lewis, Lindsay, McCann, McNamara, Nett, Peak, Prather, Priddy, Reed, Rickert, Roberts, Salyers, Swinford, Tobin, Van Horn, Wenz, Glenn White, Wible, Wyatt, Yocom. Nays 35—Alexander, Baker, Blythe, A. Brown, E. G. Brown, Collins, Curlin, J. Davis, W. Davis, Donnermeyer, Durham, Freeman, L. Hardin, Huff, Keith, Kessinger, King, Lovins, McKinney, Mitchell, Murphy, Osborne, Paxton, Pollitte, R. Reynolds, W. J. Reynolds, Ruh, Schmidt, Sharpe, Simmons, Stuart, Wells, West, J. White, Wright.

HB 500 was tabled.

Representative J. Hardin moved that the vote by which **HB 500** was tabled be reconsidered and said motion be postponed indefinitely. Agreed.

HB 41, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Rickert moved the adoption of the Committee Amendment to **HB 41**. Agreed.

On the roll call the vote was yeas 80—Allen, Arnett, Baker, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Carter, Clarke, Collins, Conn, Curlin, James A. Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Sharpe, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Yocom. Nays 0.

HB 41 as amended was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 41** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 52, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Allen moved the adoption of Committee Amendment No. 1 to **HB 52**. Agreed.

Representative Allen moved the adoption of Committee Amendment No. 2 to **HB 52**. Agreed.

On the roll call the vote was yeas 81—Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Holloway, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Stuart, Tobin, Van Horn, Wells, Wenz, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 5—Curlin, Huff, Keene, Kleier, Swinford.

HB 52 as amended was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 52** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative DeMarcus requested that he be recorded as voting "aye" on **HB 478** which passed on February 27, 1970. Agreed.

Representative J. Hardin asked that a roll call be taken to decide whether work should be continued in Orders of the Day, or whether the House should recess and return to Introduction of Bills and Resolutions, Report of Committees, Reference of Bills and Resolutions, and Announcements and adjourn later by voice vote. Those wishing to continue work in Orders of the Day were instructed to make it known by voting "yea", those opposing by voting "nay".

On the roll call the vote was yeas 26—Blythe, Hershel Brown, Carter, Deskins, Donnermeyer, Durham, Freeman, Graves, Head, Hughes, Isler, Kleier, Lindsay, Lovins, Massey, May, Mershon, Nett, Osborne, Parish, Peak, Ray, Van Horn, Glenn White, John E. White, Wright. Nays 51—Allen, Arnett, Blandford, Bleemel, Blume, A. Brown, Bruce, Collins, Curlin, DeMarcus, Dorris, Floyd, Haney, J. Hardin, L. Hardin, Hinkle, Holloway, Huff, Keene, Keith, Kessinger, Kidd, King, Knuckles, Lewis, Louden, McBride, McKinney, McNamara, Mitchell, Murphy, Paxton,

Pollitte, Prather, Priddy, Rattliff, Reed, R. Reynolds, T. Reynolds, W. J. Reynolds, Rickert, Roberts, Salyers, Schmidt, Sharpe, Simmons, Tobin, Wells, Wenz, Wyatt, Yocom.

The roll call showed the House decided to recess and return to Introduction of Bills and Resolutions, Report of Committees, Reference of Bills and Resolutions, and Announcements; and, when the House adjourns, it will do so by voice vote.

The Speaker announced that the foregoing action effectively suspended the Rules and that the House would proceed to Introduction of Bills and Resolutions, Report of Committees, Reference of Bills and Resolutions, and Announcements.

Introduction of Bills and Resolutions (Continued)

HB 670, by Representative Carter: AN ACT relating to salary of county road engineer.

HB 671, by Representative Carter: AN ACT relating to the use of state right-of-ways.

HB 672, by Representatives J. White and Ruh: AN ACT relating to pesticides.

HB 673, by Representatives Nett, Conn, Kleier and Wyatt: AN ACT relating to the development of a plan for re-organization and financing of government in counties containing a city of the first class and providing a referendum relative thereto.

HB 674, by Representative J. Davis: AN ACT relating to public utilities.

HB 675, by Representative May: AN ACT relating to wills.

HB 676, by Representative DeMarcus: AN ACT authorizing clothing allowance payment to Kentucky State Police Detectives.

HB 677, by Representative DeMarcus: AN ACT relating to Appeals from the Department of Public Safety's discretionary suspension of operator's licenses.

HB 678, by Representative DeMarcus: AN ACT relating to travel expenses and per diem allowances for state police officers.

HB 679, by Representative DeMarcus: AN ACT relating to the administrative organization of the Department of Public Safety.

HB 680, by Representative DeMarcus: AN ACT relating to Boats and Boating.

HB 681, by Representative DeMarcus: AN ACT relating to the reporting of vehicle accidents to the Department of Public Safety by any police officer who investigates a vehicle accident in Kentucky; uniform form of reports; reports not privileged or confidential.

HCR 76, by Representatives Schmidt, Roberts, Mershon, Murphy, Isler, Ruh, Reed, Durham and Donnermeyer: A CONCURRENT RESOLUTION designating Interstate Highway 75 as the American Legion Memorial Highway.

HR 77, by Representatives Ruh, McBrayer and Carroll: A RESOLUTION commending the Kentucky Legislative Intern Program.

HR 78, by Representatives McBrayer, A. Brown, Sharpe and L. T. Hardin: A RESOLUTION recognizing America's first commercial oil well.

HCR 79, by Representatives Prather and W. J. Reynolds: A CONCURRENT RESOLUTION inviting the Honorable James A. Rhodes, Governor of Ohio, to address the General Assembly.

Report of Committees (Continued)

The Committee on Rules reported **HB 350, SB 147** with Committee Amendment attached thereto, **HB 243, HB 309, HB 180, HB 314, HB 328** with Committee Amendment attached thereto, **HB 339, HB 347** with Committee Substitute attached thereto, **HB 426, HB 429, HB 436, HB 442** with Committee Amendment attached thereto, **HB 460** with Committee Amendment attached thereto, **HB 474, HB 482** with Committee Amendment attached thereto, **HB 498, HB 520, HB 528** with Committee Amendment attached thereto, **HB 532, HB 542, HR 63, SB 96, SB 114** and **SB 122** have been posted for passage in Orders of the Day, March 4, 1970.

The Committee on Rules reported **SB 77** has been recommitted to the Committee on Appropriations and Revenue for examination of fiscal implications or agency administering provisions of bill.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 638, SB 231.**

Business Organizations and Professions: **HR 73.**

Cities: **HB 631, HB 642, SB 177.**

Counties and Special Districts: **HR 70.**

Education: **HB 643, HR 72.**

Elections and Constitutional Amendments: **HB 640, HB 641.**

Health and Welfare: **SB 276.**

Judiciary: **HB 634, HB 635, HB 637, HB 639, SB 94, SB 150, SB 153.**

Labor and Industry: **SB 6.**

Public Utilities and Transportation: **HB 632, HB 636.**

State Government: **HB 630, HB 633.**

Rules: **HR 71.**

Representative May filed an amendment to **HB 482.**

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Business Organizations and Professions: **SB 76, SB 191, SB 265.** (Room 402, March 4, 1970, 11:00 a.m.)

Agriculture and Natural Resources: **HB 411, HB 565, HB 577, HB 448.** (Room 401, March 4, 1970, 11:00 a.m.)

State Government: **HB 598, HB 623.** (Room 403, March 4, 1970, fifteen minutes after adjournment)

Public Utilities and Transportation: **HB 133, HB 417, HB 110, HB 476, HB 552, HB 553, SB 212.** (Room 402, March 4, 1970, 9:30 a.m.)

Cities: **HB 576, HB 611, HB 612, HB 613, HB 615, HB 617, HB 614, HB 618, SB 223.**

Education: **HB 575, HB 597.** (Room 401, March 5, 1970, 10:00 a.m.)

Judiciary: **HB 488, HB 431, HB 504, HB 624, HB 538, HB 489.** (Room 402, March 4, 1970, thirty minutes after adjournment)

Health and Welfare: **HB 587, HB 590, HB 546, HB 566, HB 572, HB 600, HB 606, HB 607, SB 193.** (Room 401, March 4, 1970, 10:00 a.m.)

The Clerk announced the following Bills and Resolutions were withdrawn from consideration:

Business Organizations and Professions: **HB 342.**

State Government: **HB 400.**

The Speaker appointed the following members to serve as a Committee to plan the Return Ball: Representatives McNamara, Keith, Baker, McCann and May.

Representative Isler moved that the House adjourn until 1:00 p.m., Wednesday, March 4, 1970. Agreed.

WEDNESDAY, MARCH 4, 1970

FORTY-SIXTH LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by the Reverend, Dr. Robert Insko, Episcopal Church of the Ascension, Frankfort.

The roll was called. All present except Representatives Bloemel, Chapman, McGill and Siemens.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of March 3, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 682, by Representative Schmidt: AN ACT relating to registration and purgation of voters.

HB 683, by Representative DeMarcus: AN ACT relating to electrical inspectors and electricians.

HB 684, by Representative Massey: AN ACT relating to motor vehicle property damage insurance.

HB 685, by Representatives L. T. Hardin, J. E. White, Wheeler, McKinney, Deskins, A. Brown, Sharpe, Haney, Durham, Arnett and Rattliff: AN ACT relating to excise taxes on alcoholic beverages.

HB 686, by Representatives Knuckles and Collins: AN ACT relating to purgation of voters.

HR 80, by Representatives Knuckles and Collins: A RESOLUTION requesting free admission to athletic events for retired educators.

HR 81, by Representatives Stuart and DeMarcus: A RESOLUTION honoring the late J. Graham Brown.

Report of Committees

The Committee on Counties and Special Districts reported **SB 30**, with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 30, AN ACT relating to compensation of certain county officials.

WHEREAS, since the adoption of Section 246 of the Constitution, and since the latest statutory increases in compensation for circuit clerks, county court clerks, sheriffs, county attorneys, and jailers, the consumer price index has increased; and

WHEREAS, considering the increase in the consumer price index and the additional duties imposed upon those officials, the compensation of those officials based upon the salary limitation fixed by Section 246 of the Constitution and the latest statutory enactments is inadequate; and

WHEREAS, in enacting legislation increasing the compensation of those county officials, it is the intention of the General Assembly to equate their salary with the purchasing power of the dollar of 1949, when Section 246 of the Constitution was adopted, and to compensate them for the additional duties imposed upon them; and

WHEREAS, the value of the dollar in 1970 in many areas has shrunk over 160% since 1949, and prices, wages, and services have risen in cost accordingly; and

WHEREAS, the cost of living still continues in a dramatic rise, thus adversely affecting the purchasing power of the dollar in a year of war effort; and

WHEREAS, county judges have many more duties imposed on their office by statute since 1949, especially in the 1962, 1964, 1966, and 1968 sessions of the General Assembly; and

WHEREAS, the crime wave and juvenile delinquency are on the increase, court cases are further increased, adding to the burden of elected county officials and especially the judge, who is both administrative and judicial head of the county; and

WHEREAS, the city managers, private sector, school principals, and quasi-federal-state boards operating in connection with county government draw higher pay; and

WHEREAS, a multiplicity of new agencies, multi-county agencies, federal-state programs require more responsibility and executive decisions, in addition to old boards such as health, welfare, hospital, children's homes, and various statutory boards; and

WHEREAS, county judges in large areas are faced with zoning, sewage, pollution, renewal, human relations, drainage, better police systems, public housing, etc.; and

WHEREAS, immediate assistance in the form of more compensation is needed by county judges starting calendar year 1970;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.535 of the Kentucky Revised Statutes is amended to read as follows:

The county court clerk, circuit clerk, county judge, sheriff, county attorney, and jailer of each county shall receive an annual salary of *$12,600* [$9,600], to be paid solely out of the statutory fees and salaries received by him during the calendar year.

Section 2. This Act shall apply to the calendar year 1970 and all subsequent years.

The Committee Amendment to **SB 30** is as follows:

Amend printed copy of Senate Bill 30 on page 3, line 4, by: changing $12,600 to $12,000.

The Committee on Appropriations and Revenue reported **HB 421** with Committee Substitute attached thereto, **HB 253, HB 356** with Committee Substitute attached thereto, **HB 11** with Committee Amendment attached thereto, **HB 357** with Committee Amendment attached thereto, **HB 581,** and **HB 601** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 421, AN ACT relating to the establishment of a Citizens Conservation & Environmental Council.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be known and may be cited as the Citizens Conservation & Environmental Council Act.

Section 2. A new Section of Chapter *146A* of the Kentucky Revised Statutes is created to read:

All land and water areas within the borders of the Commonwealth except those which are expressly dedicated by law for preservation and protection in their natural condition, are subject to alteration by human activity. As part of the continuing growth of the population and the economic development of the Commonwealth it is necessary and desirable that areas of unusual natural significance be set aside and preserved for the benefit of present and future generations. Such unique areas are valuable as laboratories for scientific research, as reservoirs of natural materials not all of the uses of which are now known, as habitats for plant and animal species and biotic communities, as lively museums where people may observe nature's web of life and our natural heritage, as places of historic and natural interest and scenic beauty, and as reminders of the vital human dependence upon fresh air, clean water, and unspoiled natural areas.

Section 3. A new Section of Chapter *146A* of the Kentucky Revised Statutes is created to read:

As used in this Act:

(1) "Natural area" means any area of land or water, or of both land and water, in public or private ownership, which either retains or has reestablished to some degree its natural character, though it need not be completely natural and undisturbed, or which has natural flora, founa, biological, ecological, geological, scenic or archaeological features of scientific, aesthetic, cultural or educational interest.

(2) "Nature preserve" means a natural area, any estate, interest or right in which has been formally dedicated under the provisions of this Act.

(3) "Articles of dedication" means the writing by which any estate, interest or right in a natural area is formally dedicated as provided in this Act.

(4) "Council" means the Citizens Conservation & Environmental Council.

Section 4. A new Section of Chapter *146A* of the Kentucky Revised Statutes is created to read:

(1) There is hereby created a Citizens Conservation & Environmental Council which council shall consist of nine members appointed by the Governor as hereinbelow provided:

(a) One member shall be a plant ecologist.

(b) One member shall be an animal ecologist.

(c) One member shall be an attorney with a demonstrated interest sympathetic to the improvement of conservation and the environment.

(d) One member shall be a geologist.

(e) One member shall be an hydrologist.

(f) One member shall be chosen from a list, submitted to the Governor by the Kentucky Chamber of Commerce, of three persons from industry who have demonstrated an interest in conservation and environmental affairs.

(g) Three members shall be chosen from a list of persons submitted to the Governor by the following organizations, if they have an active Kentucky organization:

(1) Kentucky League of Women Voters, (2) Kentucky Audubon Society, (3) Kentucky Historical Society, (4) Sierra Club, (5) Issac Walton League, and (6) Nature Conservancy; each said organization may submit the names of three persons for such purpose, and all such persons shall have demonstrated sympathetic interest in conservation and environmental affairs.

(h) Each organization authorized to submit a list to the Governor as provided in this section shall be so notified by the Governor in ample time before appointments are to be made.

(i) Each council member shall be a resident of Kentucky, and not an employe or officer of the Commonwealth, except faculty and staff members of schools in Kentucky.

(j) Any vacancies in the council shall be filled in the same manner as the original appointment.

(2) The Governor shall make the initial appointments to the council within ninety days after the effective date of this Act. Three members shall serve until January 1, 1972, three members shall serve until January 1, 1973 and three members shall serve until January 1, 1974. Thereafter, each term shall run for four years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy prior to the expiration of such term shall be appointed for the remainder of the term. Each member of the council shall hold office until his successor is appointed and qualifies. Original appointees shall determine by lot among themselves the lengths of their respective initial terms, and such shall be publicly announced and reported to the Governor.

(3) The commission shall organize by selecting from its membership a chairman and a secretary and shall provide rules for transacting its business and keeping records thereof. The commission shall meet semi-annually or more frequently upon the call of the chairman or five members. Five members shall constitute a quorum for the transaction of business. The members of the commission shall receive no compensation but shall be reimbursed for necessary expenses in connection with the performance of their duties.

Section 5. A new section of the Kentucky Revised Statutes is created to read:

Representatives of such agencies, institutions and organizations, or individuals, as the commission may determine may serve as advisors to the commission with the privilege of discussion and debate, but without the right to vote, in the meetings of the commission. Such advisors shall receive no compensation for this function, but may be reimbursed for necessary expenses in connection with the performance of their duties. Nothing in this section shall be construed to prevent the members of the commission from meeting without the participation of the advisors, if and when the commission should desire.

Section 6. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

In order to secure for the people of the Commonwealth of Kentucky of present and future generations the benefits of an enduring natural environment having one or more of the characteristics of a natural area, shall acquire in the name of the Commonwealth of Kentucky and hold in trust for the benefit of the general public an adequate system of nature preserves for the following uses and purposes:

(a) For scientific research in such fields as ecology, taxonomy, genetics, forestry, pharmacology, agriculture, soil science, geology, palcontology, conservation and other scientific fields:

(b) For the teaching of biology, natural history, ecology, geology, conservation and other subjects;

(c) As habitats for plant and animal species and communities and other natural objects;

(d) As reservoirs of natural materials;

(e) As places of natural interest and beauty;

(f) As living illustrations of our natural heritage wherein one may observe and experience natural biotic and environmental systems of the earth and their processes;

(g) To promote understanding and appreciation of the esthetic, cultural, scientific and spiritual values of our unpolluted and unspoiled environment;

(h) For the preservation and protection of nature preserves against modification or encroachment resulting from occupation, development or other use which would destroy their natural or esthetic conditions.

In order to give recognition to natural areas, the council shall establish and maintain a public registry of natural areas of unusual significance, but no area so registered shall be a nature preserve unless and until it shall have been dedicated as provided for in this Act.

Section 7. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

The council is authorized and empowered for and on behalf of the Commonwealth of Kentucky, to acquire natural areas by gift, devise, purchase, exchange, eminent domain or any other

method of acquiring real property or any estate, interest or right therein provided that any interest owned by the state or by any subdivision thereof may be dedicated only by voluntary act of the agency having jurisdiction thereof; and provided further that all acquisitions except by gift, devise, purchase or exchange shall require the approval of the Governor. The council may acquire the fee simple interest in an area or any one or more lesser estates, interests and rights therein, including (without limitation upon the generality of the foregoing by reason of specification) a lease hold estate, an easement either appurtenant or in gross and either granting the state specified rights of use or denying to the grantor specified rights of use or both, a license, a covenant, and other contractual rights. A nature preserve may be acquired voluntarily for such consideration as the council deems advisable or without consideration.

An estate, interest or right in a natural area may be dedicated by any state agency having jurisdiction thereof, by any other unit of government within the state having jurisdiction thereof, and by any private owner thereof. A dedication shall be deemed effective, and a natural area shall become a nature preserve only upon the acceptance of the articles of dedication by the council. Articles of dedication shall be placed on public record in the proper record in the county or counties in which the area is located, and with the council.

Articles of Dedication may contain restrictions and other provisions relating to management, use, development, transfer, and public access and may contain such other restrictions and provisions as may be necessary or advisable to further the purposes of this Act. They may, consistently with the purposes of this Act, define the respective rights and duties of the owner or operating agency and of the council. They may provide penalties and procedures to be applied in case of violation of their restrictions and other provisions. They may recognize and create reversionary rights, transfers upon conditions or with limitations, and gifts over. They may vary in provisions from one nature preserve to another in accordance with differences in the characteristics and conditions of the several areas.

With the approval of the Governor and upon such terms and conditions as the council may determine, the council may

enter into amendments of any articles of dedication upon a finding by the council that such amendments will not permit an impairment, disturbance, use or development of the area inconsistent with the purposes of the articles of dedication or of this Act: Provided, however, that if the fee simple interest in the area is not held by the Commonwealth of Kentucky under this Act, no amendment shall be made without the written consent of the owner or owners of the other interests therein.

Section 8. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

The fee simple estates, or lesser interests, or rights held as nature preserves are hereby declared to be held in trust, in the name of the Commonwealth, for those uses and purposes expressed in this Act which are not prohibited by the articles of dedication, for the benefit of the people of the Commonwealth of Kentucky of present and future generations and declared to be put to their highest, best, and most important use for the public benefit. Said estates, interests, or rights held as nature preserves shall be managed and protected in the manner approved by, and subject to the rules and regulations established by the council, and they shall not be taken by another public body through eminent domain or otherwise for any other use, except after a finding by the council of the existence of an imperative and unavoidable public necessity for such other public use and with the approval of the Governor. Except as may otherwise be provided in the articles of dedication, the council may, upon such terms and conditions as it may determine, grant or dispose of, an estate, interest or right held in a nature preserve, but only after a finding by the council of the existence of an imperative and unavoidable public necessity for such grant or disposition and with the approval of the Governor; provided however, that where less than a fee simple interest has been dedicated, such disposition or grant shall also require the written consent of the grantor, grantors or their heirs, successors and assigns.

Section 9. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

Before the council shall, as provided in this Act, make any finding of the existence of an imperative and unavoidable public

necessity, or shall grant or dispose of any estate, interest or right in a nature preserve, or shall enter into any amendment of any articles of dedication, it shall give notice of such proposed action in accordance with Chapter 424 of the Kentucky Revised Statutes.

Section 10. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

In furtherance of the purposes of this Act and in implementation of the powers and duties elsewhere provided in this Act, the council shall have the following additional powers and duties:

(1) To make and publish policies, rules, and regulations for the selection, acquisition, management, protection, and use of natural areas; for the dedication of nature preserves; and for the conduct of commission affairs;

(2) For purposes of this Act, to cooperate with and contract with the Federal government or any agencies thereof, any public body of this State, any public body of any other state, private organization, or individual;

(3) To seek and approve the dedication of nature preserves;

(4) Upon reasonable notice, to enter into and upon any lands within this state without causing any damage thereto, for the purposes of inspection, the making of surveys and maps thereof, and for such other purposes as it may deem necessary to the acquisition, development, protection or management of lands or other properties for the state; the council shall also have power to make investigations as to the ownership of any lands which it judges may be appropriate for acquisition;

(5) To maintain a state registry of natural areas, an inventory of natural types, and other records of natural areas and nature preserves within the Commonwealth;

(6) To promote the coordination of conservation and environmental activities of all departments, divisions and branches of state, county and city government;

(7) To study the operation of all laws, rules, regulations,

orders, and governmental policies affecting conservation and the environment, and to recommend to the Governor, and to the Legislature, new legislation, rules, regulations, orders and policies in the interest of correcting conservation and environmental problems;

(8) To provide a central clearing house of information for environmental and conservation matters, and to promote educational programs within the Commonwealth to further the purposes of this Act.

(9) To conduct research, investigations, public hearings, and interpretative programs and to publish and disseminate information to the general public pertaining to nature preserves, natural areas, and the environment;

(10) To supervise the protection, management, and use of nature preserves and to enforce and administer its rules and regulations;

(11) To promote, study, investigate, recommend, encourage, advise, and assist in the preservation, protection, and management of natural areas, and features within the borders of the Commonwealth elsewhere than in dedicated nature preserves;

(12) To investigate and report to the Governor and Legislature on proposed legislation or proposed actions, public or private, which may significantly affect the quality of the natural ecology or the human environment in the Commonwealth; said report shall include an evaluation of the environmental and ecological impact and compare any adverse effects (long-run and short-run) of the proposed action against possible social benefits; and said report shall describe and recommend appropriate alternatives to the proposed action, if deemed necessary to avoid a significant adverse effect on the quality of the natural ecology of human environment.

(13) To submit to the Governor and members of the General Assembly, a report on or before January 15, 1971, and by the same date each year thereafter, which shall account for the status and condition of each nature preserve in the system and each registered natural area, and make such other reports and recommendations as it may deem advisable.

Section 11. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

An owner of an area which is dedicated as a nature preserve may retain custody thereof, or designate a custodian, subject to the rules and regulations of the council. If the owner or custodian declines, is unable, or fails to administer and manage the nature preserve in accordance with the articles of dedication, the council shall undertake such custodial functions as may be necessary for the protection, maintenance, and use of the nature preserve until the disability is removed. Whenever feasible, and consistent with the articles of dedication, the council shall vest custody of a nature preserve in the owner, or private organization or individual. The council may, with the approval of the Governor, transfer custody or other interest or right in a nature preserve or other real property, when held by it in the name of the Commonwealth, to another public agency within the Commonwealth of Kentucky, provided that such transfer shall be for and consistent with the purposes of this Act and shall be consistent with the articles of dedication of the nature preserve and the powers and duties of the council.

Section 12. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

Where an interest in real property less than the fee is dedicated for the purposes of this Act, assessments made on the property for taxation shall reflect any change in the market value of the property which may result from the interest so dedicated. The value of the interest so dedicated shall be exempt from property taxation.

Section 13. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

All units, departments, agencies, and instrumentalities of the state, including (without limitation upon the generality of the foregoing by reason of specification) counties, municipalities, public corporations, boards, commissions, colleges and universities, are empowered and urged to dedicate as nature preserves suitable areas or portions of areas within their jurisdiction; all counties and municipalities of the state shall have the authority to acquire any interest in real property for conservation and environmental purposes as described in this Act.

Section 14. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

Nothing contained in this Act shall be construed as interfering with the purposes stated in the establishment of or pertaining to any national, state or local park, preserve, wildlife refuge, forest or other area or the proper management and development thereof, except that any agency administering a natural area dedicated as a nature preserve under the provisions of this Act shall be responsible for preserving the character of the natural areas in accordance with the articles of dedication and the applicable rules and regulations with respect thereto established by the council from time to time. Neither the dedication of a natural area as a nature preserve nor any action taken by the council under any of the provisions of this Act shall void or replace any protective status under law which the natural area would have were it not a nature preserve and the protective provisions of this Act shall be supplemental thereto.

Section 15. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

(1) All departments, agencies, officers and employes of the Commonwealth shall fully cooperate with the council and its employes in carrying out its functions under this Act.

(2) The Director duly appointed by the council or any employe authorized by the Director shall, for purposes of this Act, have complete and timely access to all records of every agency, division or department of state, county or city government. Nothing in this section shall be construed to permit the council to disclose those matters which by law are required to be kept confidential.

(3) The Legislative Research Commission shall, at the request of the Director of the Citizens Conservation & Environmental Council, do research, prepare research memoranda, draft proposed legislation and perform such other services consistent with that generally provided by the Legislative Research Commission.

Section 16. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

(1) In order to effectuate and administer this Act the council shall hire a full-time Director, who shall be qualified by training and experience to perform the duties of his office and carry out the purpose of this Act, and who shall hold office at the pleasure of the council. The salary of the Director shall be determined by the council. The Director shall, upon the advice and consent of the council, employ and fix the compensation of such personnel as may be necessary to effectuate the provisions of this Act.

(2) The Director shall, upon the advice and consent of the council, provide for the allocation of the work and activities of all employes of the council.

Section 17. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

A fund for the purpose of carrying out the provisions of this Act is hereby created to be designated as a "Conservation and Environmental Fund" to consist of all revenues derived from privileges, concessions, contracts, or otherwise, all monies received by gifts, contributions, donations and grants from governmental or private sources, and monies appropriated from General Funds of the State for the purposes of this Act. Such "Conservation and Environmental Fund" shall be disbursed by the council, after appropriations are made by law, for administration and other expenses and for other purposes provided by this Act; however, in the case of gifts, grants, contracts, and privileges, the use of which is restricted, the council shall disburse same in accordance with such restrictions.

Section 18. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

It shall be the duty of the Attorney General, upon the request of the Council, to bring an action for the recovery of the penalties provided for and to bring an action for a restraining order, temporary or permanent injunction, for the prevention or correction of a condition constituting or threatening to constitute a violation of this Act. All actions for penalties and injunctive relief for violations of this Act shall be brought in the name of the Commonwealth of Kentucky by the Attorney General in the Franklin Circuit Court.

Section 19. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

If any provision of this Act or the application thereof to any circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

Section 20. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

There is hereby appropriated from the General Fund to the Citizens Conservation & Environmental Council for the fiscal year 1970-71 the sum of $20,000, and for the fiscal year 1971-72 the sum of $25,000, which sums shall not revert to the General Fund at the end of the fiscal years but shall be carried forwarded.

Section 21. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

Whereas an emergency is declared to exist, this Act shall become effective upon its passage and approval by the Governor.

Committee Substitute, HB 421, AN ACT relating to the establishment of a Citizens Conservation & Environmental Council.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be known and may be cited as the Citizens Conservation & Environmental Council Act.

Section 2. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

All land and water areas within the borders of the Commonwealth except those which are expressly dedicated by law for preservation and protection in their natural condition, are subject to alteration by human activity. As part of the continuing growth of the population and the economic development of the Commonwealth it is necessary and desirable that the overall impact on the human environment and natural ecology be considered when major alterations are proposed affecting same,

and that certain areas of unusual natural significance be set aside and preserved for the benefit of present and future generations. Such unique areas are valuable as laboratories for scientific research, as reservoirs of natural materials not all of the uses of which are now known, as habitats for plant and animal species and biotic communities, as living museums where people may observe nature's web of life and our natural heritage, as places of historic and natural interest and scenic beauty, and as reminders of the vital human dependence upon fresh air, clean water, and unspoiled natural areas.

Section 3. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

As used in this Act:

(1) "Natural area" means any area of land or water, or of both land and water, in public or private ownership, which either retains or has reestablished to some degree its natural character, though it need not be completely natural and undisturbed, or which has natural flora, fauna, biological, ecological, geological, scenic or archaeological features of scientific, aesthetic, cultural or educational interest.

(2) "Nature preserve" means a natural area, any estate, interest or right in which has been formally dedicated under the provisions of this Act.

(3) "Articles of Dedication" means the writing by which any estate, interest or right in a natural area is formally dedicated as provided in this Act.

(4) "Council" means the Citizens Conservation & Environmental Council.

Section 4. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

(1) There is hereby created a Citizens Conservation & Environmental Council which council shall consist of eleven members appointed by the Governor as hereinbelow provided:

(a) One member shall be a plant ecologist.

(b) One member shall be an animal ecologist.

(c) One member shall be an attorney at law.

(d) One member shall be a geologist.

(e) One member shall be an hydrologist.

(f) One member shall be chosen from a list, submitted to the Governor by the Kentucky Chamber of Commerce, of three persons from industry.

(g) One member shall be a professional engineer.

(h) Four members shall be chosen from a list of persons submitted to the Governor by the following organizations, if they have an active Kentucky organization:

(1) Kentucky League of Women Voters, (2) Kentucky Audubon Society, (3) Kentucky Historical Society, (4) Sierra Club, (5) Isaac Walton League, (6) Nature Conservancy, and (7) the Kentucky Ornithological Society; each said organization may submit the names of three persons for such purpose.

(i) Each organization authorized to submit a list to the Governor as provided in this section shall be so notified by the Governor in ample time before appointments are to be made.

(j) Each council member shall have demonstrated interest sympathetic to conservation of natural resources and the improvement of the human environment; each member shall be a resident of Kentucky, and not an employe or officer of the Commonwealth, except faculty and staff members of schools in Kentucky.

(k) Any vacancies in the council shall be filled in the same manner as the original appointment.

(2) The Governor shall make the initial appointments to the council within ninety days after the effective date of this Act. Three members shall serve until January 1, 1972, three members shall serve until January 1, 1973 and three members shall serve until January 1, 1974. Thereafter, each term shall run for four years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy prior to the expiration of such term shall be appointed for the remainder of the term. Each member of the council shall hold office until his successor is appointed and qualifies. Original appointees shall determine by lot among themselves the lengths of their respective initial terms, and such shall be publicly announced and reported to the Governor.

(3) The commission shall organize by selecting from its membership a chairman and a secretary and shall provide rules for transacting its business and keeping records thereof. The commission shall meet semi-annually or more frequently upon the call of the chairman or five members. Five members shall constitute a quorum for the transaction of business. The members of the commission shall receive no compensation but shall be reimbursed for necessary expenses in connection with the performance of their duties.

Section 5. A new section of the Kentucky Revised Statutes is created to read:

Representatives of such agencies, institutions and organizations, or individuals, as the commission may determine may serve as advisors to the commission with the privilege of discussion and debate, but without the right to vote, in the meetings of the commission. Such advisors shall receive no compensation for this function, but may be reimbursed for necessary expenses in connection with the performance of their duties. Nothing in this section shall be construed to prevent the members of the commission from meeting without the participation of the advisors, if and when the commission should desire.

Section 6. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

In order to secure for the people of the Commonweath of Kentucky of present and future generations the benefits of an enduring natural environment having one or more of the characteristics of a natural area, the council shall acquire in the name of the Commonwealth of Kentucky and hold in trust for the benefit of the general public an adequate system of nature preserves for the following uses and purposes:

(a) For scientific research in such fields as ecology, taxonomy, genetics, forestry, pharmacology, agriculture, soil science, geology, palcontology, conservation and other scientific fields:

(b) For the teaching of biology, natural history, ecology, geology, conservation and other subjects;

(c) As habitats for plant and animal species and communities and other natural objects;

(d) As reservoirs of natural materials;

(e) As places of natural interest and beauty;

(f) As living illustrations of our natural heritage wherein one may observe and experience natural biotic and environmental systems of the earth and their processes;

(g) To promote understanding and appreciation of the esthetic, cultural, scientific and spiritual values of our unpolluted and unspoiled environment;

(h) For the preservation and protection of nature preserves against modification or encroachment resulting from occupation, development or other use which would destroy their natural or esthetic conditions.

(i) In order to give recognition to natural areas, the council shall establish and maintain a public registry of natural areas of unusual significance, but no area so registered shall be a nature preserve unless and until it shall have been dedicated as provided for in this Act.

Section 7. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

The council is authorized and empowered for and on behalf of the Commonwealth of Kentucky, to acquire natural areas by gift, devise, purchase, exchange, provided that any interest owned by the Commonwealth or by any subdivision thereof may be dedicated only by voluntary act of the agency having jurisdiction thereof. The council may acquire the fee simple interest in an area or any one or more lesser estates, interests and rights therein, including (without limitation upon the generality of the foregoing by reason of specification) a leasehold estate, an easement either appurtenant or in gross, and either granting the Commonwealth specified rights of use or denying to the grantor specified rights of use or both, a license, a covenant, and other contractual rights.

An estate, interest or right in a natural area may be dedicated by any agency of the Commonwealth having jurisdiction thereof, by any other unit of government within the state having jurisdiction thereof, and by any private owner or owners thereof. A dedication shall be deemed effective, and a natural area shall become a nature preserve only upon the acceptance of the Ar-

ticles of Dedication by the council. Articles of Dedication shall be placed on public record in the proper place for recording deeds in the county or counties in which the area is located, and with the council at its Frankfort office.

Articles of Dedication may contain restrictions and other provisions relating to management, use, development, transfer, and public access and may contain such other restrictions and provisions as may be necessary or advisable to further the purposes of this Act. They may, consistently with the purposes of this Act, define the respective rights and duties of the owner or operating agency and of the council. They may provide penalties and procedures to be applied in case of violation of their restrictions and other provisions. They may recognize and create reversionary rights, transfers upon conditions or with limitations, and gifts over. They may vary in provisions from one nature preserve to another in accordance with differences in the characteristics and conditions of the several areas.

With the approval of the Governor and upon such terms and conditions as the council may determine, the council may enter into amendments of any Articles of Dedication upon a finding by the council that such amendments will not permit an impairment, disturbance, use or development of the area inconsistent with the purposes of the Articles of Dedication or of this Act: Provided, however, that if the fee simple interest in the area is not held by the Commonwealth of Kentucky under this Act, no amendment shall be made without the written consent of the owner or owners of the other interests therein.

Section 8. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

The fee simple estates, or lesser interests, or rights held as nature preserves are hereby declared to be held in trust, in the name of the Commonwealth, for those uses and purposes expressed in this Act which are not prohibited by the Articles of Dedication, for the benefit of the people of the Commonwealth of Kentucky of present and future generations and declared to be put to their highest, best, and most important use for the public benefit. Said estates, interests, or rights held as nature preserves shall be managed and protected in the manner ap-

proved by, and subject to the rules and regulations established by the council, and they shall not be taken by another public body through eminent domain or otherwise for any other use, except after a finding by the council of the existence of an imperative and unavoidable public necessity for such other public use and with the approval of the Governor. Except as may otherwise be provided in the Articles of Dedication, the council may, upon such terms and conditions as it may determine, grant or dispose of, an estate, interest or right held in a nature preserve, but only after a finding by the council of the existence of an imperative and unavoidable public necessity for such grant or disposition and with the approval of the Governor; provided however, that where less than a fee simple interest has been dedicated, such disposition or grant shall also require the written consent of the grantor, grantors or their heirs, successors and assigns.

Section 9. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

Before the council shall, as provided in this Act, make any finding of the existence of an imperative and unavoidable public necessity, or shall grant or dispose of any estate, interest or right in a nature preserve, or shall enter into any amendment of any Articles of Dedication, it shall give notice of such proposed action in accordance with Chapter 424 of the Kentucky Revised Statutes.

Section 10. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

In furtherance of the purposes of this Act and in implementation of the powers and duties elsewhere provided in this Act, the council shall have the following additional powers and duties:

(1) To make and publish policies, rules, and regulations for the selection, acquisition, management, protection, and use of natural areas; for the dedication of nature preserves; and for the conduct of commission affairs;

(2) For purposes of this Act, to cooperate with and contract with the Federal government or any agencies thereof, any public body of this State, any public body of any other state, private organization, or individual;

(3) To seek and approve the dedication of nature preserves;

(4) Upon reasonable notice, to enter into and upon any lands within this state without causing any damage thereto, for the purposes of inspection, the making of surveys and maps thereof, and for such other purposes as may be reasonably necessary to the acquisition, development, protection or management of lands or other properties for the state; the council shall also have power to make reasonable investigations as to the ownership of any lands which it judges may be appropriate for acquisition;

(5) To maintain a state registry of natural areas, an inventory of natural types, and other records of natural areas and nature preserves within the Commonwealth;

(6) To promote the coordination of conservation and environmental activities of all departments, divisions and branches of state, county and city government;

(7) To study the operation of all laws, rules, regulations, orders, and governmental policies affecting conservation and the human environment, and to recommend to the Governor, and to the Legislature, new legislation, rules, regulations, orders and policies in the interest of correcting conservation and environmental problems;

(8) To provide a central clearing house of information for environmental and conservation matters, and to promote educational programs within the Commonwealth on such matters.

(9) To conduct research, investigations, public hearings, and interpretative programs and to publish and disseminate information to the general public pertaining to nature preserves, natural areas, and the environment;

(10) To supervise the protection, management, and use of nature preserves and to enforce and administer its rules and regulations;

(11) To promote, study, investigate, recommend, encourage, advise, and assist in the preservation, protection, and management of natural areas, and features within the borders of the Commonwealth elsewhere than in dedicated nature preserves;

(12) To investigate and report to the Governor and Legislature on proposed legislation, policies, regulations, or major actions, public or private, which may significantly affect the quality of the natural ecology or the human environment in the Commonwealth; said report shall include an evaluation of the environmental and ecological impact and compare any adverse effects (long-run and short-run) of the proposed action against possible social benefits; and said report shall describe and recommend appropriate alternatives, if deemed necessary to avoid a significant adverse effect on the quality of the natural ecology or the human environment.

(13) To submit to the Governor and members of the General Assembly, a report on or before January 15, 1971, and by the same date each year thereafter, which shall account for the status and conditions of each nature preserve in the system and each registered natural area, and make such other reports and recommendations as it may deem advisable.

Section 11. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

An owner of an area which is dedicated as a nature preserve may retain custody thereof, or designate a custodian, subject to the rules and regulations of the council. If the owner or custodian declines, is unable, or fails to administer and manage the nature preserve in accordance with the articles of dedication, the council shall undertake such custodial functions as may be necessary for the protection, maintenance, and use of the nature preserve until the disability is removed. Whenever feasible, and consistent with the articles of dedication, the council shall vest custody of a nature preserve in the owner, or private organization or individual. The council may, with the approval of the Governor, transfer custody or other interest or right in a nature preserve or other real property, when held by it in the name of the Commonwealth, to another public agency within the Commonwealth of Kentucky, provided that such transfer shall be for and consistent with the purposes of this Act and shall be consistent with the articles of dedication of the nature preserve and the powers and duties of the council.

Section 12. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

Where an interest in real property less than the fee is dedicated for the purposes of this Act, assessments made on the property for taxation shall reflect any change in the market value of the property which may result from the interest so dedicated. The value of the interest so dedicated shall be exempt from property taxation.

Section 13. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

All units, departments, agencies, and instrumentalities of the state, including (without limitation upon the generality of the foregoing by reason of specification) counties, municipalities, public corporations, boards, commissions, colleges and universities, are empowered and urged to dedicate as nature preserves suitable areas or portions of areas within their jurisdiction; all counties and municipalities of the state shall have the authority to acquire any interest in real property for conservation and environmental purposes as described in this Act.

Section 14. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

Nothing contained in this Act shall be construed as interfering with the purposes stated in the establishment of or pertaining to any national, state or local park, preserve, wildlife refuge, forest or other area or the proper management and development thereof, except that any agency administering a natural area dedicated as a nature preserve under the provisions of this Act shall be responsible for preserving the character of the natural areas in accordance with the articles of dedication and the applicable rules and regulations with respect thereto established by the council from time to time. Neither the dedication of a natural area as a nature preserve nor any action taken by the council under any of the provisions of this Act shall void or replace any protective status under law which the natural area would have were it not a nature preserve and the protective provisions of this Act shall be supplemental thereto.

Section 15. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read:

(1) All departments, agencies, officers and employes of the Commonwealth shall fully cooperate with the council and its employes in carrying out its functions under this Act.

(2) The Director duly appointed by the council or any employe authorized by the Director shall, for purposes of this Act, have complete and timely access to all records of every agency, division or department of state, county or city government. Nothing in this section shall be construed to permit the council to disclose those matters which by law are required to be kept confidential.

(3) The Legislative Research Commission shall, at the request of the Director of the Citizens Conservation & Environmental Council, do research, prepare research memoranda, draft proposed legislation and perform such other services consistent with that generally provided by the Legislative Research Commission.

Section 16. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

(1) In order to effectuate and administer this Act the council shall hire a full-time Director, who shall be qualified by training and experience to perform the duties of his office and carry out the purpose of this Act, and who shall hold office at the pleasure of the council. The salary of the Director shall be determined by the council. The Director shall, upon the advice and consent of the council, employ and fix the compensation of such personnel as may be necessary to effectuate the provisions of this Act.

(2) The Director shall, upon the advice and consent of the council, provide for the allocation of the work and activities of all employes of the council.

Section 17. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

A fund for the purpose of carrying out the provisions of this Act is hereby created to be designated as a "Conservation and Environmental Fund" to consist of all revenues derived from privi-

leges, concessions, contracts, or otherwise, all monies received by gifts, contributions, donations and grants from governmental or private sources, and monies appropriated from General Funds of the State for the purposes of this Act. Such "Conservation and Environmental Fund" shall be disbursed by the council, after appropriations are made by law, for administration and other expenses and for other purposes provided by this Act; however, in the case of gifts, grants, contracts, and privileges, the use of which is restricted, the council shall disburse same in accordance with such restrictions.

Section 18. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

It shall be the duty of the Attorney General, upon the request of the Council, to bring an action for the recovery of the penalties provided for and to bring an action for a restraining order, temporary or permanent injunction, for the prevention or correction of a condition constituting or threatening to constitute a violation of this Act. All actions for penalties and injunctive relief for violations of this Act shall be brought in the name of the Commonwealth of Kentucky by the Attorney General in the Franklin Circuit Court.

Section 19. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

If any provision of this Act or the application thereof to any circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

Section 20. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

There is hereby appropriated from the General Fund to the Citizens Conservation & Environmental Council for the fiscal year 1970-71 the sum of $20,000, and for the fiscal year 1971-72 the sum of $25,000, which sums shall not revert to the General Fund at the end of the fiscal years but shall be carried forwarded.

Section 21. A new Section of Chapter 146A of the Kentucky Revised Statutes is created to read as follows:

Whereas an emergency is declared to exist, this Act shall become effective upon its passage and approval by the Governor.

HB 253, AN ACT appropriating funds for the treatment of patients with artificial kidney needs.

WHEREAS, there is only one artificial kidney center in Kentucky, located at the University of Louisville, which center was funded for a four year period by the federal government as a demonstration project; and

WHEREAS, this center will cease to exist unless additional money is made available by July, 1970 for the care and training of patients with kidney failure; and

WHEREAS, the cost of treatment for the first year is $18,000, including the purchase of equipment and the training of the patient to use the artificial kidney in his home; and

WHEREAS, the cost in subsequent years is $4000 to $7000, depending on the type of equipment selected for the individual patient; and

WHEREAS, since utilization of patient resources including health insurance will defray part of the cost of treatment, an appropriation of $250,000 per year for the next biennium should be sufficient to meet the critical need for funds for training and continuation of treatment with the artificial kidney;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 211 of the Kentucky Revised Statutes is created to read as follows:

The sum of $250,000 per year for the biennium beginning July 1, 1970 and ending June 30, 1972, is hereby appropriated from the General Expenditure Fund of the State Treasury to the University of Louisville chronic dialysis kidney center for the treatment of patients with artificial kidney needs.

HB 356, AN ACT relating to exceptional children.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Superintendent of Public Instruction shall allot 250 classroom units in the fiscal year 1970-71, and 500 classroom units in the fiscal year 1971-72, in addition to the number of classroom units allotted and limited by 1970 House Bill 18, page 13, lines 17 and 18 to Exceptional Children (Including Mental Retardation).

Section 2. To accomplish the purpose of this Act, there is appropriated out of the General Expenditure Fund the sum of $2,250,000 for the 1970-71 fiscal year, and the sum of $4,500,000 for the 1971-72 fiscal year.

Committee Substitute, HB 356, AN ACT relating to exceptional children.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Superintendent of Public Instruction shall allot 200 classroom units in the fiscal year 1970-71, and 250 classroom units in the fiscal year 1971-72, in addition to the number of classroom units allotted and limited by 1970 House Bill 18, page 13, lines 27 and 28 to Exceptional Children (Including Mental Retardation).

Section 2. To accomplish the purpose of this Act, there is allocated out of the General Expenditure Fund appropriation to the Minimum Foundation Program the sum of $1,800,000 for the 1970-71 fiscal year, and the sum of $2,700,000 for the 1971-72 fiscal year. The Superintendent of Public Instruction and the Commissioner of Finance are hereby authorized and directed to transfer such funds accordingly subject to enactment of 1970 House Bill 66 and subject to savings to the Minimum Foundation Program in excess of the funds allocated by the provisions of this Act by reason of enactment of 1970 House Bill 66.

HB 11, AN ACT relating to real estate transfer tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 142.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in this section, unless the context otherwise requires:

(a) "Deed" means any document, instrument or writing (other than a will and other than a lease), regardless of where made, executed or delivered whereby any real property in Kentucky, or any interest therein, is conveyed, vested, granted, bargained, sold, transferred or assigned.

(b) "Value" means

1. in the case of any deed not a gift, the amount of the full actual consideration thereof, paid or to be paid, including the amount of any lien or liens thereon; and

2. in the case of a gift, or any deed with nominal consideration or without stated consideration, the estimated price the property would bring in an open market and under the then prevailing market conditions in a sale between a willing seller and a willing buyer, both conversant with the property and with prevailing general price levels.

(2) A tax is imposed at the rate of fifty cents for each $500 of value or fraction thereof, which value is declared in the deed upon the privilege of transferring title to real property.

(3) (a) If any deed evidencing a transfer of title subject to the tax herein imposed is offered for recordation, the county clerk shall ascertain and compute the amount of the tax due thereon and shall collect such amount as prerequisite to acceptance of the deed for recordation.

(b) The amount of tax shall be computed on the basis of the value of the transferred property as set forth in the deed.

(4) The county clerk shall collect the amount due and certify the date of payment and the amount of collection on the deed. The county clerk shall retain five percent as his fee for collection and remit the balance every three months to the county

treasurer, who shall deposit the money in the county general fund.

(5) The Department of Revenue may prescribe such rules and regulations as it may deem necessary to carry out the purposes of this section.

(6) Any county clerk who willfully shall record any deed upon which a tax is imposed by this section without collecting the proper amount of tax and certifying the date and amount of collection on the deed as required by this section based on the declared value indicated in the affidavit appended to such deed shall, upon conviction, be fined fifty dollars for each offense.

(7) The tax imposed by this section shall not apply to a transfer of title:

(a) recorded prior to March 27, 1968;

(b) to the United States of America, this state, *any city or county within this state*, or any instrumentality, agency, or subdivision thereof;

(c) solely in order to provide or release security for a debt or obligation;

(d) which confirms or corrects a deed previously recorded;

(e) between husband and wife, or parent and child, with only nominal consideration therefor;

(f) on sale for delinquent taxes or assessments;

(g) on partition;

(h) pursuant to mergers of corporations;

(i) by a subsidiary corporation to its parent corporation for no consideration, nominal consideration, or in sole consideration of the cancellation or surrender of the subsidiary's stock.

The Committee Amendment to **HB 11** is as follows:

Amend printed copy of House Bill 11 on page 2, line 7, by: adding after "tax" the following, *"upon the grantor(s) named in the deed"*, and on page 3, line 8 by:

deleting the word "[to]" and inserting in lieu thereof the word *"by"*.

HB 357, AN ACT relating to members of the railroad commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 276.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) The office of the Railroad Commission shall be at the seat of government.

(2) The commission may appoint a secretary, a stenographer, and such other employes as it may find necessary to the proper performance of its duties and fix the compensation of such employes within the annual appropriation of said commission by the Legislature.

(3) The chairman of the commission shall receive a salary of *$7,500* [$3,600] per annum, and each of the other commissioners shall receive a salary of *$7,000* [$3,000] per annum. Each commissioner shall receive his actual, necessary traveling expenses while engaged in the discharge of his duties.

(4) The members and employes of the Railroad Commission, when in the performance of their official duties, shall have the right to free transportation between points in this state on all vehicles of common carriers subject in whole or in part to control or regulation by the commission. Each carrier shall issue to the state, for the use of each member and employe of the commission, written or printed authority entitling them to be transported free of charge over the lines of the carrier when engaged in the discharge of their official duties.

Section 2. The salaries provided in this Act shall become effective January 1, 1970.

Section 3. There is appropriated out of the General Fund the sum of $7,800 for fiscal 1969-70, and the sum of $29,100 for the 1970-72 biennium to carry out the purposes of this Act, said amount to be in addition to the general budget appropriation.

The Committee Amendment to **HB 357** is as follows:

Amend printed copy of House Bill 357 on page 1, line 11, by: changing the figure *"$7,500"* to *"$5,500"*

and on line 12, by changing the figure *"$7,000"* to *"$5,000"*

and on page 2, lines 12 and 13, by striking those lines

and on line 14 by changing "Section 3." to "Section 2."

and on line 15, by striking the words "the sum of $7,800 for fiscal 1969-70, and"

and on line 15, by changing the figure "$29,100" to "$11,800"

HB 581, AN ACT raising the compensation of petit jurors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 29.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) Grand jurors and petit jurors in circuit court shall each be paid five dollars per day for jury service. Persons whose names are on the jury list for jury service in circuit court, or are summoned under KRS 29.280 to supply a deficiency, who appear in person in court in response to summons, who reside outside the corporate limits of the city in which the court sits, and who do not claim exemption or ask to be relieved from jury service, shall receive five dollars per day for each day they are required to be and are in attendance, even though they are not sworn or accepted for jury service.

(2) When kept together overnight in custody of the sheriff, petit jurors shall receive *reimbursement for their actual expenses* [five dollars additional for each night they are kept together].

(3) In courts inferior to the circuit court, except in counties containing a city of the second class, each juror shall be paid one dollar and fifty cents for each case in which he serves, but if the same juror serves on more than two juries in one day he shall not be allowed a fee for the cases in excess of two.

(4) In courts inferior to the circuit court, in counties containing a city of the second class, each juror shall be paid one dollar and fifty cents for each case in which he serves, but if the same juror serves on more than two juries in one day he shall not be allowed a fee for the cases in excess of two.

HB 601, AN ACT relating to common school finances.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 157.400 of the Kentucky Revised Statutes is amended to read as follows:

(1) The amount of money distributable to each district from the public school foundation program fund shall be determined by subtracting the required local tax effort from the total foundation program allotment for the district as determined in KRS 157.390.

(2) (a) If it shall be determined in subsection (1) that the amount of money distributable to a school district for the school year *1970-71* [1968-69] shall be less than two hundred *forty-three* [and two] dollars per pupil in average daily attendance and, beginning in the *1971-72* [1969-70] school year, that the amount of money distributable to a school district shall be less than two hundred *forty-seven* [thirty-five] dollars per pupil in average daily attendance, then the apportionment for that district shall be increased to two hundred *forty-three* [and two] dollars per pupil in average daily attendance in *1970-71* [1968-69] and beginning in the *1971-72* [1969-70] school year the apportionment for that district shall be increased to two hundred *forty-seven* [thirty-five] dollars per pupil in average daily attendance; provided, however, if a district fails to provide the total potential classroom units under KRS 157.360 subsections (2), (6), (7) and (8) and at least as many classroom units under KRS 157.360 subsections (4) and (5) as were provided in each of these subsections in 1955-56, any increase in the apportionment called for in this subsection shall be reduced to the extent that the district fails to provide the classroom units.

(b) The average daily attendance referred to in this subsection shall be the prior year average daily attendance of the district adjusted proportionally for any increase in classroom units allotted the district under provisions of KRS 157.360 subsection (3).

(c) The classroom unit requirement under this subsection relating to classroom units under KRS 157.360 subsections (4) and (5) may be waived for any district by the Superintendent

of Public Instruction when it is shown that the need for these educational services no longer exists.

(3) In the event a district whose appropriation is increased under subsection (2) of this section is allotted classroom units under KRS 157.360 subsections (4) and (5) in excess of the number of such units allotted that district in 1955-56, then the allotment to that district determined in subsection (2) of this section shall be increased by the foundation program cost of these units determined in accordance with KRS 157.390 subsections (2), (3) and (4).

(4) If the allotment to a school district as determined in subsections (2) and (3) is an amount less than the allotment per pupil in average daily attendance during the next immediately preceding fiscal year, then the allotment shall be increased by an amount necessary to provide a per pupil average daily attendance allotment equal to the per pupil average daily attendance allotment for the next immediately preceding year; provided, however, if a district fails to provide the total potential classroom units under KRS 157.360 subsections (2), (6), (7) and (8) and at least as many classroom units under KRS 157.360 subsections (4) or (5) as were provided in 1955-56, any increase in the apportionment called for in this subsection shall be reduced to the extent that the district fails to provide the classroom units.

(5) So much of the public school foundation program fund which would not be distributed under subsections (1) through (5) inclusive of this section, due to the failure of one or more participating districts to meet the full requirement, shall be held in the account for distribution the following year among districts which meet the requirements for participation.

The Committee on Public Utilities and Transportation reported **HB 161, HB 322, HB 417** with Committee Amendment attached thereto, **HB 476** and **SB 212** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 161, AN ACT relating to free license plates for disabled veterans.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS 186.020 to 186.286 is created to read as follows:

(1) The Department of Revenue shall issue, free of charge, a certificate of registration and two license plates to each disabled veteran who has been or shall be issued a motor vehicle by the Veterans Administration under the provisions of Title 38, Section 1901 of the U. S. Code or any other public law that may be passed by the Congress of the United States, and who is a resident of Kentucky.

(2) The license plates in subsection (1) shall be printed in three colors, red, white and blue. One-half of the license plate shall be in one color, the other half a second color and the figures and lettering the third color. The color scheme shall alternate each year. Each tag shall contain the name of the state, the year, the registration number and the words "Handicapped Vet."

(3) License plates provided under this Act shall be issued only as long as the veteran is the owner of a motor vehicle provided by the Veterans Administration. Such license plates are not transferrable to any person or persons not entitled to them under this Act.

(4) No county, city, town or any other political subdivision of this state shall require any license or fee from any disabled veteran for the privilege of operating a motor vehicle licensed by the department under the provisions of this Act upon the streets or alleys of any political subdivision, any other provisions of law to the contrary notwithstanding.

(5) Application for the special license plates shall be made to the department in accordance with such regulations as the Department of Revenue may have issued.

(6) The Department of Revenue may make such reasonable rules and regulations as it deems necessary to further the purpose of this Act.

Section 2. This Act shall become effective December 31, 1970.

HB 322, AN ACT relating to motor vehicle operator's licenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.410 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every person except those exempted by KRS 186.420 and KRS 186.430 shall before operating a motor vehicle upon a highway secure an operator's license as provided in this chapter.

(2) All original biennial, renewal and duplicate licenses for the operation of motor vehicles shall be issued by the Department of Public Safety. No such license shall be issued until the application therefor has been certified by the department.

(3) All licenses issued by the department may contain the blood type of the operator and may also contain a listing of those medical conditions, defects, or allergies which the department has determined to be of importance to proper emergency care and treatment following an automobile accident. The department shall, in consultation with the Department of Health, determine which conditions are of such importance and shall provide a list of same to each Circuit Court Clerk and to any other person requesting same.

Section 2. Section 186.412 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every person seeking a license for operation of a motor vehicle shall apply in person to the circuit court clerk of the county in which he resides and makes application upon a form furnished by the department. The application shall contain the full name and signature, date of birth, sex, race, *blood type if shown by sufficient documentation, listing of medical conditions, defects or allergies determined by the department as pertinent under KRS 186.410,* and present resident address of the applicant and briefly describe him. It shall also state whether the applicant has previously been licensed as an operator and if so, when and by what state or county, whether any license has ever been cancelled, suspended, revoked or refused, and if so, the date of the reason for the cancellation, suspension, revocation or refusal, and such other information as may be required.

(2) Every applicant shall make oath to the circuit clerk as to the truthfulness of the statements contained in the form.

(3) The clerk shall, after determining that the applicant

has fully complied with the law governing applications, issue a temporary operator's license to be valid for not more than ninety days. Such temporary license shall be valid in lieu of the permanent license during the certification period and must be destroyed upon receipt of the permanent operator's license.

(4) Every person seeking an endorsement for operating a motorcycle shall apply in person to the circuit court clerk of the county in which he resides and make application upon a form furnished by the department.

HB 417, AN ACT relating to Airports.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 183.133 of the Kentucky Revised Statutes is amended to read as follows:

(1) The purpose of the board shall be to establish, maintain, operate, and expand necessary, desirable or appropriate airport and air navigation facilities, *within or without the city or county in which it is established.* It shall have the duty and such powers as may be necessary, or desirable to promote and develop aviation, including air transportation, airports and air navigation facilities.

(2) The board shall establish and fix reasonable rates, charges and fees for the use of the landing area, ramps and other common aviation facilities. In fixing such rates, charges or fees the board may take into consideration, among other factors, the total capital investment by the board or other local or state governmental authority, the revenue needed properly to maintain such facilities, the revenue needed properly to expand the airport and its facilities, the portion of the facilities utilized by the licensee or contracting party and its customers and the volume and type of business conducted. Any party aggrieved by the rates, charges or fees may appeal from the action of the board to the circuit court of the county within which the board operates, within ninety days from the date that the board finally publishes such rates, charges or fees and gives notice of same to the contracting party or licensee. The circuit court may hear evidence and determine whether or not the rates, charges or fees are, or are not,

reasonable in amount. Appeal from the judgment of the circuit court may be prosecuted as any other civil appeal.

(3) The board shall likewise have power, from time to time, to fix rates, charges or fees by contract, or by publishing general rates, charges or fees for commercial vendors, concessionaires or other persons for the use or occupancy of terminal or other ground use facilities, under such terms or conditions as it may deem to be in the best interest of maintaining, operating or expanding necessary airport or air navigation facilities, and the public use thereof.

(4) The board may acquire by contract, lease, purchase, gift, condemnation or otherwise any real or personal property, or rights therein, necessary, for establishing, operating or expanding airports and air navigation facilities, *within or without the city or County in which it is established.* The board may erect, equip, operate and maintain on such property, buildings and equipment necessary, desirable or appropriate for airport or air navigation facilities *and in so doing shall be exempt from the provisions of KRS Chapter 100.* The board may dispose of any real or personal property, or rights therein, which, in the opinion of the board are no longer needed for operating or expanding the airport or air navigation facilities.

(5) The board or any other governmental unit may by resolution reciting that the property is needed for airport or air navigation purposes direct the condemnation of any property, including navigation or other easements. The procedure for condemnation shall conform to the procedures set out in KRS 416.120, or in the alternative, as nearly as practicable to KRS 177.081 to 177.089.

(6) The board or any other governmental unit may from time to time make, adopt and enforce such rules, regulations and ordinances as it may find necessary, desirable or appropriate for carrying into effect the purposes of this chapter, including those relating to the operation and control of the airport, airport facilities or air navigation facilities owned or operated by such board or such other governmental unit. All rules, regulations and ordinances adopted pursuant to this section shall be published according to the provisions of KRS 424.130, and the board or other governmental unit adopting them shall keep a permanent record

of such rules, regulations and ordinances available for public inspection, on the airport premises. *The board may appoint airport police, who shall have, within the airport boundaries and on property owned or controlled by the board, the usual powers of peace or police officers, including the power of arrest and to enforce the rules, regulations and ordinances adopted by the board, the governmental unit, or the laws of Kentucky.* Prosecution for a violation of any rule, regulation or ordinance adopted pursuant to this section shall be in the police court of any municipality or the county court of any county within which the airport is located.

Section 2. Section 183.640 of the Kentucky Revised Statutes is hereby repealed.

The Committee Amendment to **HB 417** is as follows:

Amend printed copy of House Bill 417 on page 1, lines 5 & 6, by: deleting the following: "*, within or without the city or county in which it is established*"

and on page 2, lines 26 and 27, by deleting the following: "*, within or without the city or county in which it is established*"

and on page 3, lines 2 and 3, by deleting the following: "*, and in so doing shall be exempt from the provisions of KRS Chapter 100*"

HB 476, AN ACT relating to air boards.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (3) of Section 183.133 of the Kentucky Revised Statutes is amended to read as follows:

(3) The board shall likewise have power, from time to time, to fix rates, charges or fees by contract, or by publishing general rates, charges or fees for commercial vendors, concessionaries or other persons for the use or occupancy of terminal or other ground use facilities, under such terms or conditions as it may deem to be in the best interest of maintaining, operating or expanding necessary airport or air navigation facilities, and the public use thereof, *except that the board shall not enter into any*

contract which prohibits any taxicab company from providing service from the airport and from using the taxicab stands on the airport premises in providing such service.

SB 212, AN ACT relating to motor vehicles and motor transportation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 281 of the Kentucky Revised Statutes is hereby enacted to provide as follows:

(1) The term "household goods certificate" means a certificate granting authority to operate as an irregular route common carrier transporting uncrated office and store furniture and used household goods, and uncrated new furniture.

(2) Any person, or his respective predecessor in interest, engaged as of December 31, 1969, in the transportation of uncrated office and store furniture and used household goods, and uncrated new furniture, pursuant to a valid certificate issued by the department authorizing such activity as an irregular route common carrier, shall, upon application, be entitled to the issuance of a "household goods certificate" to thereafter authorize a continuation of the same operations, including a designation of the location of the situs of the office and terminal facilities of such person utilized as of December 31, 1969. Upon petition by any interested party, or, upon its own motion if it so desires, the Department shall require a hearing upon any such application to establish an applicant's rights thereunder. Any subsequent change in situs, or additional situs to a "household goods certificate" shall be granted only upon application to the Department in the same manner as other applications made under KRS 281.625.

The Committee on Health and Welfare reported **HB 323, HB 546, HB 566, HB 587, HB 600, SB 51, SB 116,** and **SB 124** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 323, AN ACT relating to pharmacists and pharmacies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 315.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Association" means the Kentucky Pharmaceutical Association;

(2) "Board" means the Kentucky Board of Pharmacy;

(3) "Pharmacy" means every place where:

(a) Drugs are dispensed or sold at retail or displayed for sale at retail; or

(b) Where prescriptions are compounded; or

(c) Which has upon it or displayed within it, or affixed to or used in connection with it, a sign bearing the term "pharmacists," "pharmacy," "apothecary," "drug," "drug store," "druggists," "drugs," "medicines," "medicine store," "drug sundries," "remedies," or any term of similar or like import or any place with respect to which any of those terms are used in any advertisement or telephone directory listing. [; or]

[(d) Where the characteristic show bottles or colored globes are exhibited.]

(4) "Registered pharmacist" means a natural person licensed by this state to engage in the practice of the profession of pharmacy.

(5) "Pharmacist intern" means a natural person registered with the board for the purpose of obtaining instruction in the practice of pharmacy from a Registered Pharmacist.

Section 2. Section 315.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person may open, own or conduct a pharmacy if he keeps a *registered* [licensed] pharmacist constantly in charge. No person except a *registered* [licensed] pharmacist shall himself sell at retail, manufacture, compound or dispense any drug, medicine, chemical, poison or pharmaceutical preparation for medical use, or compound and dispense *practitioners'* [physicians'] prescriptions.

(2) No owner of a pharmacy or manufacturer of phar-

maceutical or proprietary preparations who is not a *registered* [licensed] pharmacist shall fail to place a *registered* [licensed] pharmacist in charge of his place of business or shall permit any person to compound or dispense prescriptions or sell at retail drugs, medicines, poisons or pharmaceutical preparations in his place of business except in the presence and under the immediate supervision of a *registered* [licensed] pharmacist.

(3) No person not a *registered* [licensed] pharmacist or *registered* [licensed] assistant pharmacist shall take, use or exhibit the title of a *registered* [licensed] pharmacist or *registered* [licensed] assistant pharmacist.

Section 3. Section 315.030 of the Kentucky Revised Statutes is amended to read as follows:

No person shall take, use or exhibit the title of drug, drug store, pharmacy or apothecary, or any combination of such names or titles, or any title, name or description of like import, or any form designed to take the place of such a title, unless he is a *registered* [licensed] pharmacist or constantly keeps a *registered* [licensed] pharmacist in charge of his establishment.

Section 4. Section 315.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every applicant for registration as a *registered* pharmacist shall be not less than twenty-one years of age, a citizen of the United States, of good moral character and temperate habits, a graduate of a school or college of pharmacy or department of a university recognized and approved by the *board* [Kentucky Board of Pharmacy], and shall file proof satisfactory to the *board* [Kentucky Board of Pharmacy], substantiated by proper affidavits, of a minimum [of one year of] experience in *an approved* [a retail] pharmacy, under the supervision of a registered pharmacist, which experience shall be predominantly related to the selling of drugs and medical supplies, compounding prescriptions, preparing pharmaceutical preparations and keeping records and making reports required by the state and federal statutes.

(2) After such applicant has passed a satisfactory examination in written, oral and practical work, conducted before the

board under regulations prescribed by the board, he shall be entitled to a license as a *registered* pharmacist.

(3) The board shall by regulation determine the minimum experience required, such to conform with national requirements.

Section 5. Section 315.060 of the Kentucky Revised Statutes is amended to read as follows:

An examination fee shall be fixed by the board at not less than *twenty* [ten] dollars nor more than *fifty* [twenty-five] dollars, and shall be collected for each examination taken by an applicant.

Section 6. Section 315.100 of the Kentucky Revised Statutes is amended to read as follows:

No person shall procure or attempt to procure a license as a *registered* pharmacist [or assistant pharmacist,] for himself or another, by making false representations or causing them to be made.

Section 7. Section 315.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every *registered* [licensed] pharmacist who desires to continue *to practice pharmacy* [in business] shall, during January of each year, pay to the *Executive Secretary* [secretary-treasurer] of the board a reasonable renewal fee, to be fixed by regulation by the board, but not to exceed twenty-five dollars. For this he shall receive a certificate of renewal of his license.

(2) Every *registered* [licensed] assistant pharmacist who desires to continue *to practice pharmacy* [in business] shall, during January of each year, pay to the *Executive Secretary* [secretary-treasurer] of the board a reasonable renewal fee, to be fixed by regulation by the board, but not to exceed twenty-five dollars. For this he shall receive a certificate of renewal of his license.

(3) Every *registered* pharmacist and every *registered* assistant pharmacist shall keep his current certificate conspicuously displayed in his place of business.

Section 8. Section 315.115 of the Kentucky Revised Statutes is amended to read as follows:

All persons who are required to pay renewal fees to the *board* [Kentucky Board of Pharmacy] as *registered* [licensed] or *registered* [licensed] assistant pharmacists shall not be required to pay such fees during the time such persons are actively serving in the Armed Forces of the United States.

Section 9. Section 315.120 of the Kentucky Revised Statutes is amended to read as follows:

Any *registered* [licensed] pharmacist or *registered* assistant pharmacist who has failed to secure his annual renewal certificate for five consecutive years may renew his license only upon passing a satisfactory examination before the board.

Section 10. Section 315.127 of the Kentucky Revised Statutes is amended to read as follows:

The board may revoke or suspend any *registered* pharmacist's license heretofore or hereafter issued or any *registered* assistant pharmacist's license heretofore issued, or place a licensee on probation, upon proof that the licensee has:

(1) Knowingly made or presented, or caused to be made or presented, any false, fraudulent or forged statement, writing, certificate, diploma or other thing, in connection with an application for a license or permit;

(2) Been convicted of a felony;

(3) Become addicted to a drug habit;

(4) Become a chronic or persistent alcoholic;

(5) Developed such physical or mental disability, or other condition, that continued practice is dangerous to the public;

(6) Engaged in dishonorable, unethical or unprofessional conduct of a character likely to deceive, defraud or harm the public.

Section 11. Section 315.140 of the Kentucky Revised Statutes is amended to read as follows:

Any *registered* [licensed] pharmacist or *registered* assistant pharmacist who fails to comply with any provision of KRS 315.110 to 315.120, shall forfeit his right to act as a *registered* [licensed] pharmacist or *registered* assistant pharmacist after sixty days

from the time that notice of such failure is mailed to his last known address by the *Executive Secretary* [secretary-treasurer] of the board.

Section 12. Section 315.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) The *board* [Kentucky Board of Pharmacy] shall consist of five members.

(2) Beginning with the year 1948, at its regular annual meeting the association shall select and submit to the Governor one list of five persons and one list of three persons, each of whom has had at least five years' experience in compounding and dispensing *practitioners'* [physicians'] prescriptions in this state. The Governor shall, before *October* [November] 1 of each year, appoint one person from each list so submitted, to take office on January 1 following. *No* [Not more than] two members of the board shall be residents of the same county.

(3) The term of each board member appointed from the list of five persons shall be four years, and the term of each person appointed from the list of three persons shall be one year, and each shall serve until his successor is appointed and qualified, unless removed for cause. No member shall be so reappointed that he will serve for more than five consecutive years. The member appointed each year for a four-year term shall succeed the member whose one-year term is expiring that year, and the member appointed each year for a one-year term shall succeed the member whose four-year term is expiring that year.

(4) The Governor shall fill any vacancy from the names last submitted.

(5) Within ten days after he receives his appointment each member shall take and subscribe to an oath before a competent officer, to perform the duties of his office faithfully and impartially. The oath shall be inscribed upon his commission.

(6) Three members of the board shall constitute a quorum.

Section 13. Section 315.160 of the Kentucky Revised Statutes is amended to read as follows:

The board shall meet in January of each year and elect a

president and *an Executive Secretary* [a secretary-treasurer]. These officers shall serve for a term of one year and perform the duties prescribed by the board. The president shall be elected from the members of the board, but the *Executive Secretary* [secretary-treasurer] need not be a member of the board.

Section 14. Section 315.171 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each member of the board, except the *Executive Secretary* [secretary-treasurer], shall receive *not more than* $75 [$25] for each day actively engaged in the service of the board. Each member shall receive his traveling expenses and all necessary expenses incurred in the performance of his official duties.

(2) The *Executive Secretary* [secretary-treasurer] of the board shall receive a reasonable salary determined by the board. He shall also receive his traveling expenses and all necessary expenses incurred in the performance of his official duties.

Section 15. Section 315.180 of the Kentucky Revised Statutes is amended to read as follows:

The Executive Secretary shall keep a register of the names and dates of registration of those persons to whom a license has been issued and a register of all pharmacy permits issued. [The secretary-treasurer shall annually publish a list of all licensed pharmacists and assistant pharmacists in this state, and shall mail a copy to each such licensee. He shall erase from the register the name of any person who has died or who has forfeited his legal right to do business in this state.]

Section 16. Section 315.191 of the Kentucky Revised Statutes is amended to read as follows:

The board is authorized to:

(1) Issue reasonable rules and regulations establishing requirements, standards and tests to determine the moral, physical, intellectual, educational, scientific, technical and professional qualifications of applicants for license to practice pharmacy and to issue, deny, suspend and revoke license, and to place licensees on probation.

(2) Adopt rules and regulations necessary to regulate and

control all matters set forth in this chapter relating to pharmacists and pharmacies, to the extent that regulation and control of same have not been delegated to some other agency of the Commonwealth; provided, however, that such rules and regulations relating to drugs shall be limited to the regulation and control of drugs sold by prescription. However, nothing contained in this chapter shall be construed as authorizing the board to adopt any rules or regulations relating to prices or fees or to advertising or the promotion of the sales or use of commodities or services.

(3) Schedule and conduct hearings or to appoint hearing officers to schedule and conduct hearings on behalf of the board on any matter under the jurisdiction of the board.

(4) Prescribe the time, place, method, manner, scope and subjects of examinations, provided however that at least two examinations shall be held annually.

(5) Employ whatever assistance it considers necessary.

(6) Investigate all complaints or violations of the State Pharmacy Laws and bring all such cases to the notice of the proper law enforcement authorities.

[(7) Keep a book of registration in which shall be entered the name and place of business of every licensed pharmacist and assistant pharmacist.]

(7) [(8)] Make bylaws for the proper execution of its duties.

(8) [(9)] Perform all other functions necessary to carry out the provisions of law and the rules and regulations adopted by the board relating to pharmacists and pharmacies.

Section 17. Section 315.210 of the Kentucky Revised Statutes is amended to read as follows:

The board may exchange license certificates with other states so as to allow *registered* [licensed] pharmacists of other states to practice pharmacy in this state under regulations prescribed by the board.

Section 18. Section 315.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person violating subsection (1) of KRS 315.020 shall be fined not less than one hundred dollars nor more than one thousand dollars or imprisoned in the county jail for not more than six months, or both.

(2) Any person who violates subsection (2) of KRS 315.020 shall be fined not less than twenty-five dollars nor more than one hundred dollars for each offense. Each week that this subsection is violated shall constitute a separate offense.

(3) Any person who violates subsection (3) of KRS 315.020 shall be fined not less than fifty dollars nor more than two hundred dollars for each offense.

(4) Any person violating KRS 315.030 shall be fined for each offense not less than one hundred dollars nor more than one thousand dollars or imprisoned in the county jail for six months, or both. Each week that an establishment is operated in violation of KRS 315.030 shall constitute a separate offense.

(5) Any proprietor or person in charge of a pharmacy who violates subsection (2) or (3) of KRS 315.080 shall be fined not less than twenty dollars nor more than one hundred dollars for each offense.

(6) Any person who violates KRS 315.100 shall be fined not less than twenty-five dollars nor more than one hundred dollars for each offense.

(7) Any *registered* [licensed] pharmacist or *registered* assistant pharmacist who is habitually intoxicated shall be fined not less than twenty-five dollars nor more than fifty dollars for the first and second offenses, and upon conviction of the third offense, his license shall be revoked by the *board* [State Board of Pharmacy].

HB 546, AN ACT relating to reporting cases of child abuse and children suffering from malnutrition.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 199.335 of the Kentucky Revised Statutes is amended to read as follows:

(1) The purpose of this section, subsections *(3)*, (4), and (5) of KRS 208.020 and subsections *(4)*, (5), and (6) of KRS 208.990 is to provide for the protection of children who have had physical injury inflicted upon them and who are further threatened by the conduct of those responsible for their care and protection, *or who are suffering from severe malnutrition* and to bring said cases under the purview of the county court sitting in juvenile session. Physicians who become aware of such cases shall report them to the appropriate police authority thereby causing the protective services of the state to be brought to bear in an effort to protect the health and welfare of these children and to prevent further abuses and neglect.

(2) Any physician, osteopathic physician, or other person having reasonable cause to suspect that a child under the age of eighteen brought to his attention has had serious physical injury or injuries inflicted upon him other than by accidental means by a parent or other person responsible for his care, *or any physician, osteopathic physician, or other person who has knowledge of a child under the age of eighteen whose health appears to be endangered from malnutrition,* shall report or cause reports to be made in accordance with the provisions of this section, subsections *(3)*, (4), and (5) of KRS 208.020 and subsections *(4)*, (5), and (6) of KRS 208.990; provided that when the attendance of such a person with respect to a child is pursuant to the performance of services as a member of the staff of an institution he shall notify the person in charge of the institution or his designated delegate who shall report or cause reports to be made in accordance with the provisions of this section, subsections *(3)*, (4), and (5) of KRS 208.020 and subsections *(4)*, (5), and (6) of KRS 208.990.

(3) An oral report shall be made immediately by telephone or otherwise and followed as soon thereafter as possible by a report in writing to an appropriate police authority, and a copy thereof shall be forwarded to the Department of Child Welfare for investigation. Such reports shall contain the names and addresses of the child and his parents or other persons responsible for his care, if known, the child's age, the nature and extent of

the child's injuries (including any evidence of previous injuries), *or nature and extent of the child's malnutrition,* and any other information that the person believes might be helpful in establishing the cause of the injuries or malnutrition and the identity of the perpetrator.

(4) Anyone acting upon reasonable cause in the making of a report pursuant to this section, subsections *(3)*, (4), and (5) of KRS 208.020 and subsections *(4)*, (5), and (6) of KRS 208.990 shall have immunity from any liability, civil or criminal, that might otherwise be incurred or imposed. Any such participant shall have the same immunity with respect to participation in any such judicial proceeding resulting from such report.

(5) Neither the physician-patient privilege nor the husband-wife privilege shall be a ground for excluding evidence regarding a child's injuries *or malnutrition* or the cause thereof, in any judicial proceedings resulting from a report pursuant to this section, subsections *(3)*, (4), and (5) of KRS 208.020 and subsections *(4)*, (5), and (6) of KRS 208.990.

(6) Anyone knowingly and willfully violating the provisions of subsection (2) shall be punished by a fine of not less than ten dollars nor more than one hundred dollars.

HB 566, AN ACT relating to Kentucky Commission on Children and Youth.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 211.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) There is hereby created with the Health and Welfare Agency, a Kentucky Commission on Children and Youth. The commission shall consist of the commissioners of the Departments of Child Welfare, Economic Security, Health, and Mental Health, the Superintendent of Public Instruction, the chief executive officer of the Commission for Handicapped Children, and eighteen members, *six of whom must be between the ages of 16 and 23,* to be appointed by the Governor. Youth members are to be appointed as vacancies occur after July 1, 1970, until the number

of six is met. A chairman of the commission shall be elected at the first meeting and annually thereafter.

(2) Of the eighteen members first appointed by the Governor, four shall serve for terms of one year, four for terms of two years, five for terms of three years, and five for terms of four years. At the expiration of these terms, appointments shall be for terms of four years, *except the terms of youth members shall expire during the year of their 23rd birthday.* All appointed members shall be eligible for reappointment and shall serve until their successors have been appointed and qualified. Vacancies occurring prior to the expiration of a term shall be filled by the Governor for the remainder of the unexpired term.

Section 2. Section 211.630 of the Kentucky Revised Statutes is amended to read as follows:

(2) The commission may appoint such advisory committees as are necessary, *one of which must be a committee of youth,* to advise it on specific matters relating to children and youth.

HB 587, AN ACT relating to control of alcohol and drug abuse.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 222 of the Kentucky Revised Statutes is created to read as follows:

(1) Involuntary hospitalization of the alcoholic as defined in KRS 222.110 (2) shall take place by the same procedures as hospitalization of the mentally ill as provided in KRS Chapters 202, 203 and 210.

(2) All rights guaranteed by KRS Chapters 202, 203 and 210 to mentally ill persons shall be guaranteed to the alcoholic.

(3) Records pertaining to an alcoholic shall be treated in accordance with KRS 210.235.

Section 2. Section 222.110 of the Kentucky Revised Statutes is amended to read as follows:

As used in *this chapter* [KRS 222.105 to 222.195], unless the context otherwise requires:

(1) "Alcoholism" means the abnormal condition which the effect of alcohol produces in a person who is an alcoholic;

(2) "Alcoholic" means any person who chronically and habitually uses alcoholic beverages to the extent that he loses the power of self-control with respect to the use of alcoholic beverages; or any person who chronically and habitually uses alcoholic beverages to the extent that he becomes a menace to the public morals, health, safety or welfare of the members of society in general.

Section 3. Section 222.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) There is hereby created a commission to be hereafter known as the Kentucky Commission on Alcohol Problems.

(2) The commission shall consist of nine members with an interest in and knowledge of the alcohol problem, said members to be appointed by the Governor. The members shall qualify by having professional, research or personal experience with alcohol problems. At least two of the nine members shall be doctors, and one of the doctors shall be a psychiatrist. Three members shall be appointed for a term of one year, three members shall be appointed for a term of two years and three members shall be appointed for a term of three years. At the expiration of these terms appointments shall be for terms of four years. Appointments shall be made by the Governor to fill any existing vacancies. Members of the commission shall serve without pay, but shall receive their actual and necessary expenses incurred while on the business of the commission. The commission shall meet at least once every three months; the commission shall be attached to the *Human Resources Commission* [Department of Mental Health] for administrative purposes.

(3) The duties of the commission shall be to advise the *Human Resources Commission* [Department of Mental Health] on all matters relating to alcohol problems and to advise and assist *the Department of Mental Health and* the Interagency Council on Alcohol Problems with *their* [its] comprehensive programs. The scope of these activities shall include but not be limited to:

(a) Assist community mental health center alcohol coordinators and other experienced personnel throughout the state to provide in-service training for classroom teachers who will teach elementary and secondary classes on the nature and effect of the use of beverage alcohol;

(b) Encourage and assist universities and colleges in this state who give degrees or have major fields of study in social work to include courses examining alcohol-related problems;

(c) Encourage and assist universities and colleges in this state who give degrees or have major fields of study in education to include courses preparing elementary and secondary teachers to most effectively present the nature and effect of the use of beverage alcohol;

(d) Encourage the Department of Labor and labor organizations to establish adult education courses on alcohol;

(e) Stimulate community interest in alcohol-related problems through community center activities, churches, programs in industry, the news media, or by any other appropriate activity. [;]

[(f) Cooperate with the Department of Personnel in the establishment of qualifications and in-service training programs for social workers or other state employes whose employment may bring them into contact with alcohol-related problems; and]

[(g) Formulate consistent terminology and definitions for alcohol related problems for data analysis purposes by agencies of this state.]

(4) The commission may invite the Kentucky *Commission on Children and Youth* [Juvenile Delinquency Prevention and Youth Development Foundation, Inc.] to appoint a committee of three young people to assist the commission in planning youth alcohol education programs. The members of the youth committee may be paid actual expenses while serving with the commission.

Section 4. Section 222.120, 222.130, 222.140, 222.150, 222.160, 222.170, 222.180, 222.190, 222.195 of the Kentucky Revised Statutes are repealed.

Section 5. Section 217.725 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 217.721 to 217.785 and 217.995 the term "dangerous drug" means;

(1) Any drug which contains: (a) barbituric acid or derivatives of barbituric acid; or (b) salts of barbituric acid or salts of derivatives of barbituric acid; except those compounds, mixtures, and preparations specifically exempted by regulation of the State Board of Health.

(2) Any drug which contains: (a) amphetamine or any of its optical isomers; (b) any salt of amphetamine or any salt of an optical isomer of amphetamine; (c) methamphetamine or any of its optical isomers or any salt of methamphetamine or any salts of optical isomers of methamphetamine; (d) mephentermine and its salts; (e) phenmetrazine and its salts; except those compounds, mixtures, and preparations specifically exempted by regulation of the State Board of Health.

(3) Any drug which contains: (a) LSD (d-Lysergic acid diethylamide and its salts); (b) Mescaline (3, 4, 5 trimethoxyphenylethylamine and its salts); (c) Peyote (Lophophora Williamsii, Lophophra lewinii); (d) Psilocybin (Psilcoybe mexicana); (e) Psilocin (Psilcoybe mexicana); (f) DMT (N, N, -dimethyltryptamine and its salts); (g) STP (4-methyl 2, 5 dimethoxy alpha methyl penethylamine and its salts); except those compounds, mixtures, and preparations specifically exempted by regulation of the State Board of Health.

(4) Any drug which contains cannabis or tetrahydrocannabinols. "Cannabis" includes all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds or resin; but not the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks—(except the resin extracted therefrom) fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination. Tetrahydrocannabinols include all synthetic forms of cannabis.

(5) [(4)] Any drug which contains any quantity of a substance which has been designated by regulation of the State Board of Health as having a potential for abuse because of its depressant or stimulant effect on the central nervous system or its hallucinogenic effect; except that the board shall not designate under this law any substance that is a narcotic drug as defined or designated in the Kentucky Uniform Narcotic Drug Act or the regulations promulgated thereunder.

Section 6. Section 217.731 of the Kentucky Revised Statis amended to read as follows:

(1) No person shall possess any dangerous drug [except as authorized in KRS 217.721 to 217.785 and 217.995.]

(a) For his own use except as authorized in KRS 217.721 to 217.785 and 217.995;

(b) For purposes of sale or other disposal to another person except as authorized in KRS 217.721 to 217.785 and 217.995.

(2) No person shall manufacture, sell, dispense, prescribe, or administer any dangerous drug except as authorized in KRS 217.721 to 217.785 and 217.995.

(3) (a) No person shall obtain or attempt to obtain a dangerous drug, or procure or attempt to procure the administration of a dangerous drug by fraud, deceit, misrepresentation, or subterfuge or by the forgery or alteration of a prescription, or by the concealment of a material fact, or by the use of a false name or the giving of a false address.

(b) No person shall willfully make a false statement regarding any prescription, order, report, or record required by KRS 217.721 to 217.785 and 217.995.

(c) No person shall, for the purpose of obtaining a dangerous drug, falsely assume the title of or represent himself to be a manufacturer, wholesaler, distributor, repacker, pharmacist, practitioner, or other authorized person.

(d) No person shall make or utter any false or forged prescription.

(e) No person shall affix any false or forged label to a package or receptacle containing any dangerous drug.

(4) No person shall bring into, or cause to be brought into, or possess, use, or sell, upon the premises of any jail or penal institution within the Commonwealth of Kentucky any dangerous drug in violation of KRS 217.721 to 217.785 and 217.995.

(5) No person shall possess, manufacture, sell, dispense, prescribe or administer any counterfeit drug.

Section 7. Section 217.995 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates any provision of subsections (2), (3), (4), and (5) of KRS 217.731 *or who possesses any dangerous drug for the purpose of sale or other disposal to another person in violation of subsection (1) (b) of KRS 217.731,* shall be guilty of a felony and shall be punished by confinement in the penitentiary for not [less than two years nor] more than five years or by a fine of not [less than $1,000 nor] more than $5,000 or both. *Subsequent offenses shall be punished by confinement in the penitentiary for not more than ten years or by a fine of not more than $10,000 or both.*

(2) Any person who is at least eighteen years of age who violates KRS 217.731 (2) by selling, dispensing, prescribing or administering any dangerous drug to a person under eighteen years of age who is at least three years his junior may be punished by a term of imprisonment twice that authorized by KRS 217.995 (1) or by a fine of not more than $20,000 or both.

(3) (a) [(2)] Any person in possession *for his own use of any dangerous drug* [of LSD, Mescaline, Peyote, Psilocybin, Psilocin, DMT or STP] in violation of subsection (1) *(a)* of KRS 217.731 shall be guilty of a [felony and shall be punished by confinement in the penitentiary for not less than two years nor more than five years or by a fine of not less than $1,000 nor more than $5,000 or both.] *misdemeanor and upon conviction shall be ordered to a facility designated by the Commissioner of the Department of Mental Health where a program of treatment and rehabilitation not to exceed one year in duration shall be prescribed. The person ordered to the designated facility shall present himself for registration and initiation of a treatment program within five days of the date of sentencing. If, without good cause, the person fails to appear at the designated facility within*

the specified time period, or if at any time during the program of treatment prescribed, the authorized clinical director of the facility finds that the person is unwilling to participate in his treatment and rehabilitation, the director shall notify the sentencing court. Upon receipt of notification, the court shall cause the person to be brought before it and may continue the order of treatment and rehabilitation, or may order confinement in the county jail for not more than six months, or fine of not more than $600 or any combination of these sentences. Upon discharge of the person from the facility by the Commissioner of the Department of Mental Health or his designee prior to the expiration of the one year period or upon satisfactory completion of one year of treatment, the person shall be deemed finally discharged from sentence. The Commissioner or his designee shall notify the sentencing court of the date of such discharge from the facility.

(b) For a second offense, he shall be guilty of a misdemeanor and upon conviction shall be punished by confinement in the county jail for not more than one year or by a fine of not more than $1,000 or both.

(c) For a third offense and subsequent offenses thereafter upon conviction he shall be punished by confinement in the penitentiary for not more than five years or by a fine of not more than $5,000 or both.

(d) In the case of any person convicted of a second or subsequent offense of possession for his own use of dangerous drugs in violation of subsection (1) (a) of KRS 217.731 the court may sentence such person to probation to a facility designated by the Department of Mental Health in place of other punishment prescribed by this section. In any case where the court imposes a sentence of probation, it may also impose a fine not to exceed the amounts set forth for the offense.

(e) In the case of any person convicted of a second or subsequent offense, the judge shall, prior to sentencing, following the procedures outlined in subsection (5) of this Act.

(4) (a) The Commissioner of the Department of Mental Health or his designee shall inform each court of the identity and location of the facility to which a person sentenced by that court

under provision of subsection (3) (a) of this Act shall be initially ordered.

(b) In the case of a person ordered to a facility for treatment and rehabilitation pursuant to subsection (3) (a) of this Act, transportation to the facility shall be provided by the court when the court finds the person unable to convey himself to the facility within five days of sentencing by reason of physical infirmity or financial incapability.

(c) The sentencing court shall immediately notify the designated facility of the sentence and its effective date.

(d) The Commissioner of Mental Health, or his designee, may authorize transfer of the person from the initially designated facility to another facility for therapeutic purposes. The sentencing court shall be notified of termination of treatment by the terminating facility.

(e) Responsibility for payment for treatment services rendered to persons pursuant to this Act shall be as under KRS 210.310 and KRS 210.320 unless the person and the facility shall arrange otherwise.

(5) Prior to the imposition of sentence upon conviction of a second or subsequent offense, the court shall obtain a report of case progress and recommendations regarding further treatment from the facility at which the person was treated following his first conviction. If such material is not available, the court shall notify the Commissioner of the Department of Mental Health, and the Commissioner shall cause the person to be examined by a psychiatrist employed by the Department to evaluate his mental condition and to make recommendations regarding treatment and rehabilitation. The psychiatrist making the examination shall submit a written report of his findings and recommendations regarding treatment and rehabilitation to the court, which shall make the report available to the prosecuting attorney and the attorney for the defendant. The court shall take such reports into consideration in determining sentence. The commissioner may decline to cause such examination to be made if the number of psychiatrists on duty in the department is insufficient to spare one from his regular official duties or if no such service may be purchased at regular departmental rates, in such event the commissioner shall notify the clerk of the court to that effect within three days after receipt of notification by the court.

(6) In the case of any person who has been convicted for the first time of possession of a dangerous drug in violation of KRS 217.731, the court may set aside and void the conviction upon satisfactory completion of treatment, probation, or other sentence, and issue to the person a certificate to that effect. A conviction voided under this subsection shall not be deemed a conviction for purposes of disqualifications or disabilities imposed by law upon conviction of a crime (including the additional penalties imposed for second or subsequent convictions). Voiding of conviction under this subsection and dismissal may occur only once with respect to any person.

(7) [(3)] Any person [in possession of any dangerous drug (other than those specifically designated in subsection (2) of this section) in violation of subsection (1) of KRS 217.731 or] who violates any provision of KRS 217.721 to 217.785 for which a specific penalty is not otherwise provided shall be punished by confinement in the county jail for one year or by a fine of not less than $300 nor more than $500 or both.

(8) None of the provisions of this Act shall be deemed to preclude the court from exercising its usual discretion with regard to ordering probation or discharge.

(9) The circuit court shall have exclusive jurisdiction of all prosecutions under this Act, except prosecutions within jurisdiction of the juvenile court.

Section 8. Section 218.010 of the Kentucky Revised Statutes is amended to read as follows:

The following words and phrases, as used in this chapter, shall have the following meanings, unless the context otherwise requires:

(1) "Person" includes any corporation, association, copartnership, or one or more individuals.

(2) "Physician" means a person authorized by law to practice medicine *and surgery* in this state [and any other person authorized by law to treat sick and injured human beings in this state] and to use narcotic drugs in connection with such treatment.

(3) "Dentist" means a person authorized by law to practice dentistry in this state.

(4) "Veterinarian" means a person authorized by law to practice veterinary medicine in this state.

(5) "Manufacturer" means a person who by compounding, mixing, cultivating, growing, or other process, produces or prepares narcotic drugs, but does not include an apothecary who compounds narcotic drugs to be sold or dispensed on prescriptions.

(6) "Wholesaler" means a person who supplies narcotic drugs that he himself has not produced nor prepared, on official written orders, but not on prescriptions.

(7) "Apothecary" means a licensed pharmacist as defined by the laws of this state and, where the context so requires, the owner of a store or other place of business where narcotic drugs are compounded or dispensed by a licensed pharmacist; but nothing in this chapter shall be construed as conferring on a person who is not registered nor licensed as a pharmacist any authority, right, or privilege, that is not granted to him by the pharmacy laws of this state.

(8) "Hospital" means an institution for the care and treatment of the sick and injured, approved by the State Board of Health as proper to be entrusted with the custody of narcotic drugs and the professional use of narcotic drugs under the direction of a physician, dentist, or veterinarian.

(9) "Laboratory" means a laboratory approved by the State Board of Health as proper to be entrusted with the custody of narcotic drugs and the use of narcotic drugs for scientific and medical purposes and for purposes of instruction.

(10) "Sale" includes barter, exchange, or gift, or offer therefor and each such transaction made by any person, whether as principal, proprietor, agent, servant, or employe.

(11) "Coca leaves" includes cocaine and any compound, manufacture, salt, derivative, mixture, or preparation of coca leaves, except derivatives of coca leaves which do not contain cocaine, ecgonine, or substances from which cocaine or ecgonine may be synthesized or made.

(12) "Opium" includes morphine, codeine, and heroin, and any compound, manufacture, salt, derivative, mixture, or preparation of opium, but does not include apomorphine or any of its salts.

[(13) "Cannabis" includes all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin; but shall not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination.]

(13) [(14)] "Narcotic Drugs" includes coca leaves, opium, isonipecaine (the substance identified chemically as 1-methyl-4-phenylpiperidine-4-carboxylic acid ethyl ester, or any salt thereof by whatever trade name identified), [cannabis,] every other substance neither chemically nor physically distinguishable from them, and any drug having an addiction-forming or addiction-sustaining liability similar to morphine or cocaine which is designated by regulation of the State Board of Health as a narcotic drug.

(14) [(15)] "Federal Narcotic Laws" means the laws of the United States relating to opium, coca leaves, and other narcotic drugs.

(15) [(16)] "Official written order" means an order written on a form provided for that purpose by the United States Commissioner of Narcotics, under any laws of the United States making provision therefor, if such order forms are authorized and required by Federal law, and if no such order form is provided, then on an official form provided for that purpose by the State Board of Health.

(16) [(17)] "Dispense" includes distribute, leave with, give away, dispose of, or deliver.

(17) [(18)] "Registry number" means the number assigned to each person registered under the Federal Narcotic Laws.

HB 600, AN ACT relating to county children's bureaus.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 200.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Fiscal Court of any county, with the advice and assistance of the department, may establish a county children's bureau. When a fiscal court has authorized the establishment of such a bureau by an order duly made and entered, the county judge, with approval of fiscal court, shall appoint a board to administer the affairs of a children's bureau.

(2) The board of a children's bureau shall consist of three persons, or if the county contains a city of the first or second class, at least five but not more than fifteen persons. Members of the board shall serve for three years each. When five to fifteen members are appointed, the members shall be divided into three groups of members as nearly equal as possible in number, and the terms of each group shall be three years. The term of a member, or of any group of members, shall expire on the thirtieth day of June of a year, which is different from the year in which the term of any other member or groups of members expire. Members originally appointed during the year following the effective date hereof, may be appointed for such terms as may be necessary to effectuate the rotation provided for in the preceding sentence.

(3) Vacancies on the board, whether occurring during the term or at the close of the term of a member, shall be filled in the manner provided in subsection (2) of this section within thirty days after receipt of the vacancy occurring. If the county judge fails to make the appointment within thirty days, the members of the board may make the appointment and immediately advise the county judge and fiscal court of such appointment. Whenever any vacancy occurs the board shall immediately certify the fact of the vacancy and the reason therefor to the county judge and fiscal court. All members of the board shall serve without compensation, but may be reimbursed by the county for all necessary expenses incurred in the discharge of their official duties.

(4) When the fiscal court has authorized the establishment of a county children's bureau it shall provide funds for such establishment and the maintenance of such a bureau, and shall provide office space and equipment for the operation of such bureau.

(5) A board of a county children's bureau shall annually elect a chairman and a secretary from among its members. Each board shall meet annually or more frequently as its members determine and such special meetings as are called by the chairman or requested in writing by a majority of the members.

[(1) The fiscal court of any county, with the advice and assistance of the department, may establish county children's bureaus. When the fiscal court has authorized the establishment of such bureau, the county judge and the county superintendent of schools shall submit to the department a list of nine persons, or if the county contains a city of the first or second class, fifteen persons, including both men and women. From this list, the department shall recommend three persons, or if the county contains a city of the first or second class, five persons who shall then be appointed by the county judge and the county superintendent of schools.]

[(2) The members thus appointed shall constitute a county children's bureau for the county. Both sexes shall be represented in the membership of the bureau. The original members shall serve for one, two and three years respectively, or if five members are appointed, one shall serve for one year, two for two years and two for three years. Thereafter all appointive members shall serve for three years or until their successors have been qualified. The members shall serve without compensation, but may be reimbursed by the county for all necessary expenses incurred in the discharge of their official duties. The fiscal court may provide funds for the establishment and maintenance of the county bureau, and each bureau shall have office or desk room in the courthouse at the county seat.]

[(3) Each year the county bureau shall elect a chairman and a secretary from among its members. Each bureau shall hold an annual meeting and such special meetings as are called by the chairman or requested in writing by a majority of the members.]

Section 2. Section 200.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county children's bureau shall appoint an executive director who is fully qualified as a child welfare worker and shall serve at the pleasure of the bureau. The executive director shall receive a salary fixed by the bureau.

(2) The executive director may appoint and direct properly trained assistants, clerical staff, and institutional staff to such position as are authorized by the bureau, and all salaries and necessary expenses of the county children's bureau shall be paid from appropriations made by the fiscal court to the county bureau, and from such other funds as may be available. The executive director shall carry out the policies as developed and recommended by the bureau.

(3) The county children's bureau is empowered to receive, invest, and disburse any and all gifts, grants, and bequests made to or for the benefit of the county bureau and to disburse the same for the purposes for which the county children's bureau is established.

(4) Two or more counties may, with the approval of their respective fiscal courts, unite in the establishment of a common children's bureau and the employment of an executive director and staff; and, in the operation of such institutions, offices, and services as may be deemed necessary, the fiscal courts shall agree upon the part of the total expenses which each county shall bear, and in the procedure for the selection and removal of the director and staff, as herein provided.

(5) One or more counties, with the approval of the fiscal court or county courts thereof, may contract for the services of an existing county children's bureau, with the approval of the fiscal court in the county in which the existing bureau is located, or if the services of a common bureau are contracted for, with the approval of the fiscal courts of all counties which have united in the establishment thereof.

(6) The county children's bureau may, from time to time, designate persons to serve for stated purposes and periods of time on such special committees as the bureau may deem expedient in the discharge of its duties.

[(1) The county children's bureau may appoint an executive secretary whose qualifications for the position have been approved by the department. The executive secretary shall receive a salary fixed by the county children's bureau and shall serve during its pleasure. The executive secretary may appoint such properly trained assistants as are authorized and approved by the county children's bureau at such salaries as are desig-

nated by it. The county children's bureau may pay, out of such sums as are appropriated to its use by the fiscal court, the salaries of its executive secretary and his assistants, the necessary traveling expense of its members, executive secretary and other agents and such other expenses as are incidental to the discharge of its duties.]

[(2) The county children's bureau of two or more counties, with the approval of the fiscal courts of their respective counties, may unite in the employment of an executive secretary and such other assistants as may be deemed necessary, and shall agree upon the part of the total expense which each county children's bureau shall pay.]

Section 3. Section 200.160 of the Kentucky Revised Statutes is amended to read as follows:

The duties of the bureau shall be as follows:

(1) Discover dependent and neglected children in the county, obtain for them benefits of the law, and provide for the care of dependent, neglected, delinquent and defective children assigned as wards of the county by the county judge or juvenile commissioner;

(2) Administer the funds appropriated by the fiscal court, municipal government or derived from gifts, bequests, or grants for child welfare services in the county;

(3) Make such investigations and perform such other services pertaining to children as the fiscal court, the circuit court, or the county judge directs. In no event shall any member or agent of the county children's bureau enter any home, family, school, or institution without the consent of the home or family, or of the persons in charge of the school or institution, except as ordered by the county judge or the circuit judge.

(4) Serve as Probation Officers if appointed by the county judge.

(5) Assist the state child welfare workers in the administrative performance of their duties with reference to children, and perform such services and make such reports with reference thereto as they may request;

(6) Develop policies within the county with respect to the administration and scope of child welfare services;

(7) Recommend an annual budget and present monthly financial statements to the fiscal court; and

(8) Make an annual public report to the fiscal court setting forth specific recommendations as to the needs of children in the county and the present status of children in care.

[The county children's bureau shall:]

[(1) Discover dependent, neglected, delinquent and defective children and obtain for them the benefits of the law;]

[(2) Administer the funds appropriated by the fiscal court for mothers' aid;]

[(3) Assist in enforcing the compulsory attendance law when requested by the county superintendent;]

[(4) Serve as probation or parole officers if appointed by the county judge;]

[(5) Make such investigations and perform such other service pertaining to children as the fiscal court or the county judge requests. In no event shall any member or agent of the county children's bureau enter any home, family, school or institution without the consent and permission of the head of the home or family, or of the persons in charge of the school or institution;]

[(6) Assist the department in the administrative performance of its duties with reference to children, and perform such services as may be requested by the department; and]

[(7) Make an annual report to the department and specific recommendation as to the needs of children in their respective counties.]

Section 4. Section 200.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county children's bureau shall keep a full record with reference to each child received into care to whom service has been extended or concerning whom an investigation has been conducted; but the names of such persons shall not be published in any newspaper or in any way given publicity.

[(1) The county children's bureau shall keep a full record of each applicant for, or recipient of, assistance under KRS 200.080 to 200.240, including the reports of investigations, correspondence and other pertinent information, together with the orders of the bureau in each case. The names of the beneficiaries or their mothers shall not be published in any newspaper or in any way given publicity.]

(2) A full record of the proceedings and transactions of the county *children's* bureau shall be kept [with the county archives] and shall be open for inspection at any time by the members of the fiscal court and by the department or any accredited representative thereof.

Section 5. Sections 200.170, 200.180, 200.190, 200.200, 200.210, 200.230, and 200.240 of the Kentucky Revised Statutes are repealed.

SB 51, AN ACT relating to dentists and dental specialists.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 313.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Board" means the Kentucky Board of Dentistry.

(2) Any person shall be regarded as "practicing dentistry" who, for a fee, salary or other reward paid, or to be paid either to himself, or to another person, performs or advertises to perform, dental operations of any kind, or who diagnoses or treats diseases or lesions of human teeth or jaws, or attempts to correct malpositions thereof, or who diagnoses or treats disorders, or deficiencies of the oral cavity and adjacent associated structures, or who takes impressions of the human teeth or jaws *to be used directly in the fabrication of any intraoral appliance,* or shall construct, supply, reproduce or repair any prosthetic denture, bridge, artificial restoration, appliance or other structure to be used or worn as a substitute for natural teeth, except upon the written order or prescription of a licensed dentist and constructed upon or by the use of casts or models made from

an impression taken by a licensed dentist, or who shall advertise, offer, sell or deliver any such substitute or the services rendered in the construction, reproduction, supply or repair thereof to any person other than a licensed dentist, or who places or adjusts such substitute in the oral cavity of another, or who uses the words "dentist," "dental surgeon," the letters "D.D.S.," "D.M.D.," or other letters or title in connection with his name, which in any way represents him as being engaged in the practice of dentistry.

(3) "Dental hygiene" shall mean the treatment of human teeth by scaling, polishing, planing and removing therefrom calcareous deposits, and by removing accumulated accretion from [directly] beneath the free margin of the gums; [the making of X-ray exposures of teeth and surrounding tissues; the clinical examination of the teeth and surrounding tissues for carious lesions, periodontal pockets and other abnormal conditions; the obtaining and recording of basic medical and dental histories and information; the instruction of patients in proper tooth care; the application of sodium or stannous fluoride or other substances beneficial in the control of caries; the application of desensitizing agents; the polishing, and smoothing of rough edges, of restorations; and the cementing of facings and pontics outside of a patient's mouth;] *and may also include other dental activities not specifically prohibited by this chapter or by regulation of of the board* provided, that nothing in KRS 313.260 to 313.350 shall be so construed as to affect the practice of medicine or dentistry nor to prevent students of a dental college or university from practicing dental hygiene under supervision of their instructors; and, provided further, that nothing in KRS 313.260 to 313.350 shall be construed to authorize any dental hygienist to perform any operation in a patient's mouth without supervision of a dentist *except in emergency* [within the dentist's office].

(4) "Dental laboratory" includes any person, firm or corporation who directly or through an agent or employe, by any means or method, in any way supplies or manufactures artificial substitutes for the natural teeth, or who furnishes, supplies, constructs or reproduces or repairs any prosthetic denture, bridge or appliance to be worn in the human mouth or who in any way purports to be a dental laboratory.

Section 2. Section 313.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) By December 31 of each year, every dentist licensed to practice in this state shall return to the secretary-treasurer of the board his renewal notice properly signed, [and] a fee of twenty-five dollars and *evidence satisfactory to the board that such dentist has accumulated a sufficient number of points for continuing dental education in accordance with a schedule of points which shall be adopted by the board. The dentist* shall *thereupon* receive a license renewal certificate, *provided, however, that the board, in its discretion, may make exceptions to the point requirement for continuing dental education for such hardship or other extenuating circumstances as the board deems appropriate.* When the amount of the balance of cash in the hands of the secretary-treasurer reaches the sum of twenty-five thousand dollars, the board may fix the annual renewal license fee at such amount, not less than five dollars nor more than twenty-five dollars, as is necessary to maintain a revolving fund at an approximate level of twenty-five thousand dollars.

(2) The license fee for each year shall be set annually by the board [at its October meeting]. Notice of such change in the amount of license renewal fee shall be given to each dentist registered in the state by the secretary-treasurer not later than December 1. Any license granted by the board shall be suspended if the holder fails to secure the renewal certificate by March 1 of each year, but any license thus suspended may be restored by the board upon the payment to the secretary-treasurer of a reinstatement fee of fifty dollars within one year after the suspension.

Section 3. Section 313.130 of the Kentucky Revised Statutes is amended to read as follows:

The board may revoke, suspend or refuse to renew the license of any dentist for any of the following causes:

(1) Conviction of a felony or misdemeanor involving moral turpitude, in which case the record of conviction or a copy thereof, certified by the clerk of the court or by the judge in whose court the conviction is had, shall be conclusive evidence.

(2) Renting or lending to any person his license or diploma

to be used as a license or diploma, or illegally or fraudulently obtaining a license from the board.

(3) Unprofessional conduct, [or] gross ignorance or inefficiency in his profession *or failure to accumulate a sufficient number of points for continuing dental education as prescribed by the board under the provisions of Section 2 of this Act.*

(4) Failure or refusal to comply with the orders of the board issued pursuant to KRS 313.220.

(5) Addiction to a drug habit.

(6) Chronic or persistent alcoholism.

(7) Physical or mental disability, or other condition, that continued practice would be dangerous to patients or to the public.

Section 4. Section 313.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board shall administer this chapter. It may make regulations for its own conduct and procedure, *and* provide for affiliation with the American Association of Dental Examiners [, send not more than two delegates to its meetings and pay the expenses of those delegates]. It may select the subjects and the standard of proficiency and percentage for examinations to practice dentistry, and it shall conduct the examinations of all applicants for a license under the provisions of this chapter.

(2) The board shall make a report of its proceedings to the Governor by February 1 of each year, showing all money received and disbursed by it pursuant to this chapter for the preceding year ended December 31.

(3) The board may employ attorneys to advise and assist it in enforcing this chapter, and pay them a reasonable compensation for such work.

(4) The board may, subject to the provisions of this chapter, regulate the practice of dentistry *and the use of dental auxiliary personnel* in this state.

(5) The board may employ such assistants, inspectors, investigators, clerks, and other persons as it deems necessary to

enforce this chapter. It may authorize any of such employes to make investigations and report to the board with respect to any violation of any of the provisions of this chapter or any regulation or order of the board, to inspect any dental office or place where dental operations are performed and to deliver or transmit to any holder of a license under this chapter any order of the board with respect to the licensee's performance of his work under the authority of such license. If any holder of a license under this chapter fails or refuses to admit any such representative of the board for the purpose of making any such examination or inspection or if any holder of any such license fails or refuses to comply with any order or direction of the board, such failure or refusal shall be reported to the board for whatever disciplinary action it deems appropriate, including revocation of any license if such failure or refusal is deemed by the board to be material.

(6) Any representative of the board performing any of the duties referred to in this section shall be furnished with a copy, certified by the secretary-treasurer, of the order of the board pursuant to which he is performing such duties.

Section 5. The Legislative Research Commission is directed to search out all statutory references to "Board of Dental Examiners" and change the same to "Board of Dentistry."

SB 116, AN ACT relating to Boards of Health in counties containing a second class city.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 212.640 of the Kentucky Revised Statutes is amended to read as follows:

In any county containing a city of the second class the fiscal court of the county and the legislative body of the city of the second class, may, by joint action, establish a city-county health department. The department when established shall be governed by a city-county board of health composed of *seven* [six] members, one of whom shall be either the mayor or city manager of the city, whichever is appointed by the city legislative body, one of whom shall be the county judge, one of whom shall be a

dentist, *one of whom shall be a registered nurse,* and three of whom shall be physicians appointed in like manner as dental and physician members are appointed on county boards of health and to hold office as provided in KRS 212.020.

SB 124, AN ACT relating to boards of health in counties containing a first class city.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Subsection (1) of Section 212.380 of the Kentucky Revised Statutes is amended to read as follows:

Said board shall be composed of seven members, two of whom shall be the mayor of such city, and the county judge of such county, as members ex officio, and five of whom shall be appointed by the joint action of the mayor of such city and the county judge of such county. Each appointive member shall be not less than thirty years of age, intelligent, discreet, and shall have been a continuous resident of such county for at least two years prior to the date of his or her appointment. Not more than three of said appointive members may be physicians, *and at least one of said appointive members shall be a registered nurse.*[.] All appointive members shall be eligible for reappointment.

The Committee on Business Organizations and Professions reported **HB 439, SB 76,** and **SB 265** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 439, AN ACT relating to unsolicited credit cards and unsolicited merchandise.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 365 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act unless the context otherwise requires:

(1) "Person" means any natural person or individual, not a corporation;

(2) "Cardholder" means the person or organization named on the face of the credit card to whom or for whose benefit the credit card is issued by the issuer;

(3) "Credit card" means any instrument, device or credit number, whether known as a credit card, credit plate, telephone credit number, or by any other name, which is issued with or without fee by an issuer for the use of the cardholder in obtaining money, goods, services, telephone service or anything else of value on credit;

(4) "Issuer" means the business organization or financial institution which issues a credit card, or its duly authorized agent;

(5) "Seller" means the person, business organization, corporation or anyone else who furnishes money, goods, services, telephone service or anything else of value on credit upon presentation or any other use of a credit card;

(6) "Purchaser" means any person who obtains money, goods, services, telephone service or anything else of value on credit by presentation or any other use of a credit card.

Section 2. A new section of Chapter 365 of the Kentucky Revised Statutes is created to read as follows:

No credit card shall be issued to any person who has not previously made a valid written application for use of said credit card or who has not previously acknowledged in writing the fees, restrictions and terms of the credit extended by the issuer. The cardholder is not required to return a credit card issued in violation of this section.

Section 3. A new section of Chapter 365 of the Kentucky Revised Statutes is created to read as follows:

In no event shall the cardholder be liable for any loss sustained by a seller from presentation or use of a credit card issued in violation of Section 2 of this Act unless the purchaser was the cardholder, his authorized agent or any person acting with his permission.

Section 4. A new section of Chapter 365 of the Kentucky Revised Statutes is created to read as follows:

The issuer of any credit card issued in violation of Section 2

of this Act shall be liable to any seller for any loss sustained in furnishing any money, goods, services, telephone service, or anything else of value on credit upon presentation or any other use of said credit card by any purchaser other than the cardholder, his authorized agent or any person acting with the cardholder's permission unless the seller knew the purchaser was not the cardholder, his agent or a person acting with the cardholder's permission.

Section 5. A new section of Chapter 365 of the Kentucky Revised Statutes is created to read as follows:

Except as otherwise agreed, a person has the right to refuse to accept unsolicited goods delivered to him and he is not required to return such goods to the sender. Such unsolicited goods either addressed to or intended for the recipient shall be deemed a gift to the recipient, who may use them or dispose of them in any manner without any obligation.

SB 76, AN ACT relating to Hairdressers, Cosmetologists and Barbers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 317.530 of the Kentucky Revised Statutes is amended to read as follows:

(1) All fees and charges collected by the cosmetologist board [and the barber board] shall be paid into the [General Fund in the] State Treasury and credited to a separate revolving or trust and agency fund account established for the purpose of administering the provisions of this chapter *as it relates to the cosmetologist board. All fees and charges collected by the barber board shall be paid into the State Treasury and credited to a separate revolving or trust and agency fund account established for the purpose of administering the provisions of this chapter as it relates to the barber board.* The cost and expenses of administering the provisions of this chapter including compensation to members of the boards and their officers and employes shall be paid out of the [General Fund in the] State Treasury upon warrants of the Commissioner of Finance according to law provided that the total expense of ad-

ministering these provisions shall not exceed the fees and other charges collected by the *respective* boards and available in the revolving or trust and agency fund account *of that board.*

(2) All fees and charges collected by *each of* the boards shall be available for the administration of the provisions of this chapter *as it relates to the respective board,* and for no other purpose.

Section 2. Section 317.560 of the Kentucky Revised Statutes is amended to read as follows:

[(1) By agreement of the barber board and the cosmetologist board persons employed by either may be designated as agents for both in such duties as may be assigned such employe in carrying out the provisions of this chapter.]

[(2) Such equipment, supplies and records as are now held by the Board of Barbers and Beauty Examiners, which is abolished by this chapter, shall be appropriately divided between the two boards created by this chapter according to the nature of such equipment, supplies and records.]

[(3)] *(1)* The principal offices of [both] *the* boards created by this chapter shall be located in such places as will enable the boards to have ready access to records and technical assistance of the State Department of Health.

[(4)] *(2)* The State Department of Health shall give cooperation and technical advice and assistance to the boards created by this chapter.

[(5) The Governor shall appoint an executive director to act as fiscal agent who shall be a barber or cosmetologist or a person with five years experience or a person with five years training in the management of administrative affairs who shall act as coordinator of the administration of this chapter by the barber board and the cosmetologist board. The executive coordinator shall serve a term of four years unless sooner removed by the Governor, and receive a compensation set by the personnel board with the approval of the Governor and subject to the general laws of the state. The Governor, after consultation with the boards, shall fix the duties of the executive coordinator.]

Section 3. (1) All funds in the State Treasury credited to the trust and agency fund account of the cosmetologist board and the barber board shall be divided equally between the cosmetologist board and the barber board.

(2) Such equipment, supplies and records as are now held by the cosmetologist board and the barber board shall be appropriately divided between the two boards according to the nature of such equipment, supplies, and records.

SB 265, AN ACT relating to barbers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 317.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) The barber board shall issue a license to practice barbering to any person who:

(a) Is at least eighteen years of age;

(b) Is of good moral character and temperate habit;

(c) Has acted as a licensed apprentice for at least eighteen months under the immediate supervision of a licensed barber;

(d) Has satisfactorily passed the examination prescribed by the barber board;

(e) Has paid a fee of *$20* [fifteen dollars].

(2) The barber board shall issue a license to act as apprentice to a barber to any person who:

(a) Is at least 16½ years of age;

(b) Is of good moral character and temperate habit;

(c) Has at least four years of high school education;

(d) Has graduated from an accredited or licensed school of barbering;

(e) Has satisfactorily passed the examination prescribed by the barber board; and

(f) Has paid a fee of *$20* [five dollars].

(3) The barber board shall issue a license to operate a

barber shop to any barber licensed under the provisions of this chapter upon application of such barber accompanied by a fee of *$10* [three dollars] provided that the barber board shall refuse to issue such a license upon a failure to comply with the provisions of this chapter or the rules and regulations of the board adopted pursuant thereto.

(4) The barber board shall issue a license to operate a school of barbering to any person, firm or corporation who or which:

(a) Applies therefor upon forms furnished by the board;

(b) Has the equipment and facilities which may be required by rules and regulations of the board adopted pursuant to this chapter;

(c) Furnished any evidence deemed necessary by the board in the exercise of a sound discretion that it is the purpose of the applicant to establish a bona fide school for the education and training of competent barbers and can and will employ a sufficient number of licensed teachers of barbering to conduct such school;

(d) Pays a fee of *$100* [fifty dollars].

(5) The barber board shall issue a license to teach barbering to any person who:

(a) Is of good moral character and temperate habit;

(b) Has a high school education and at least two years of college;

(c) Has been a licensed and practicing barber for at least thirty-six months;

(d) Has satisfactorily passed the examination prescribed by the board; and

(e) Has paid a fee of *$25* [ten dollars].

(6) Applications for examination required in this section shall be accompanied by an examining fee as follows:

(a) Barber—*$20* [fifteen dollars];

(b) Apprentice to a barber—*$20* [ten dollars];

(c) Teaching barbering—twenty-five dollars.

(7) Licenses issued pursuant to this section shall expire on the first day of July next following the date of their issuance but the board shall renew any license so expiring at no increased renewal fee if the required annual renewal license fee is paid within thirty-one days after the expiration of such license, provided that the applicant for a renewal is otherwise in compliance with this chapter and the rules and regulations of the board adopted pursuant thereto. Any license shall automatically be renewed by the board upon receipt of the required annual license fee prior to the expiration date of such license, provided the applicant for renewal is in compliance with the provisions of this chapter and the rules and regulations of the board adopted pursuant thereto.

(8) The annual renewal license fee for each type of license renewal shall be as follows:

(a) Barber—*$12* [five dollars];

(b) Apprentice to barber—*$12* [five dollars];

(c) Teacher of barbering—*$15* [ten dollars];

(d) Barber shop—*$10* [three dollars];

(e) Barber school—*$75* [twenty-five dollars].

(9) Except as provided in subsection (7) of this section, the fee for the renewal of an expired license, where the period of expiration does not exceed five years, shall be as follows:

(a) Barber—*$50* [twenty-five dollars];

(b) Apprentice—*$50* [twenty-five dollars];

(c) Barber shop—*$10* [three dollars];

(d) Barber school—*$75* [fifty dollars];

(e) Teacher of barbering—*$25* [fifty dollars].

Section 2. Section 317.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) There is hereby created an independent agency of the state government to be known as The Kentucky Board of Barbering, which shall have complete supervision over the administration of the provisions of this chapter relating to barbers, barbering, barbershops, barber schools, the teaching of barbering and barber apprenticeship.

(2) The Kentucky Board of Barbering hereinafter referred to as the barber board or board shall be composed of three members who are barbers licensed to practice barbering in this state, appointed by the Governor. One member shall be a master barber who is a member of a nationally recognized professional organization of master barbers and who is not otherwise a member of a union of barbers, a second and different member shall be a barber who is a member of an organized labor union of barbers, a third and different member shall be a barber who is not a member of a union or labor organization of barbers. At all times in the filling of vacancies of membership on the barber board, this balance of representation shall be maintained.

(3) On July 1, 1960, the Governor shall appoint three persons to the barber board, one of whom shall serve a term of one year, another a term of two years, and another a term of three years, the term of each appointee to be determined by lot. Thereafter, upon expiration of the term of any member, the appointment shall be for a term of two years.

(4) The Governor shall not remove any member of the barber board except for cause.

(5) The barber board shall elect from its members one to serve as chairman, one to serve as vice-chairman, and a third to serve as secretary.

(6) Two members shall constitute a quorum for the transaction of business.

(7) In addition to the other qualifications specified in this section, members of the barber board shall be at least 23 years of age, citizens of the United States, residents of Kentucky and must have engaged in the practice of barbering in this state for a period of at least five years.

(8) No member of the barber board shall be financially interested in, or have any financial connection with any barber or cosmetology school, wholesale cosmetic or barber supply or equipment business, nor shall any member of the barber board teach barbering, cosmetology or manicuring for monetary considerations.

(9) Each member of the barber board shall receive a compensation of $35 [$25] per day for each day of attendance at

meeting of the board, and shall be reimbursed for necessary traveling expenses.

(10) The board shall hold such meetings at such place in the state and at such times as are deemed necessary by the board to discharge its duties.

Section 3. Section 317.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) The barber board may employ such personnel as may be reasonably necessary to carry out the provisions of this chapter, whose compensation shall be established by the Department of Personnel. The board shall by appropriate order employ an administrator who shall be charged with responsibility of administering the provisions of this chapter, and the policies of the board relating to barbering. The administrator may receive a salary of *$12,000* [$7,500] per annum, or such compensation as may be established by classification of the position by the Department of Personnel.

(2) The barber board shall prescribe the duties of such personnel employed by it.

(3) The barber board shall publish and distribute copies of its rules and regulations and revisions thereof to all persons licensed by it and to such other persons, places or agencies as may be required by law or deemed by it reasonably necessary in the administration of the provisions of this chapter, but such publications shall be clearly stamped, marked or printed "Informational Copy."

The Committee on Business Organizations and Professions reported **HB 324** and **HB 326** with the expression of opinion that the same should not pass.

The Committee on Agriculture and Natural Resources reported **HB 577,** with Committee Amendment attached thereto, and **HB 565** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 577, AN ACT relating to farming and establishing the Kentucky Farm Development Authority.

WHEREAS, the General Assembly of the Commonwealth of Kentucky recognizes that the promotion of independent farming as a gainful occupation is necessary to the economic welfare of the Commonwealth; and

WHEREAS, it is recognized that ownership of land is a factor which stimulates agrarian pursuits; and

WHEREAS, it is further recognized that there are within the Commonwealth many persons of honest reputation who are deserving of the opportunity to own their own farm land but are prevented from grasping that opportunity because of limited assets; and

WHEREAS, it is recognized that to aid deserving persons in purchasing farm land would serve a useful, public purpose; and

WHEREAS, the provisions of this Act would enable the Commonwealth to encourage, aid and promote farming as a gainful occupation by guarantee of approximately $2,225,000 on loans to individuals interested in farming.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby established as an independent agency of state government the Kentucky Farm Development Authority, which shall be composed of the Commissioner of Agriculture, the State Treasurer, the Commissioner of Banking and Securities, two members to be appointed by the Governor, and the chairman of the Senate Committee and the House of Representatives Committee on Agriculture and Natural Resources. One member shall be elected or re-elected annually by a majority vote of the entire membership of the Authority to serve as chairman, whose duty it shall be to preside over meetings and coordinate the activities of the Authority. A quorum shall consist of a majority of the entire membership, and a majority vote of the quorum shall control on all questions except election of the chairman. The Authority shall hold monthly meetings for the primary purposes of dis-

cussing policy matters and approving loan guarantee applications. The chairman shall have the power to call other meetings when he deems them to be necessary or a majority of the quorum present at a regular meeting may petition the chairman to call other meetings. Authority members shall receive no salary, but shall be reimbursed for necessary expenses incurred while carrying out the functions of their office. The Authority shall have the power to make any necessary rules and regulations to implement the provisions of this Act.

(2) The Authority shall be included in the Department of Agriculture for administrative and budgetary purposes.

Section 2. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

(1) The Kentucky Farm Development Authority is empowered to guarantee loans for the purchase of farm land and buildings thereon, or for buildings to be erected thereon, by applicants who comply with the provisions of this Act. The guarantee shall not exceed $5,000 of any loss suffered by an approved mortgagee.

(2) For the purposes of Subsection (1) of this Section farm land is defined as:

(a) Any tract of land of at least ten contiguous acres in area used for the production of livestock, livestock products, poultry, poultry products and/or the growing of tobacco and/or other crops including timber, or where devoted to and meeting the requirements and qualifications for payments pursuant to agriculture programs under an agreement with the state or federal government, where such activities produced an average gross income including payments under a state or federal program of at least one thousand dollars per year during the two years immediately preceding the tax year or there is evidence of anticipated yearly gross income of this amount. Land devoted exclusively to the growing of merchantable timber is excluded from the gross income provisions; or,

(b) Any tract of land of at least five contiguous acres in area commercially used for the cultivation of a garden, orchard, or the raising of fruits, vegetables, flowers or ornamental plants, where such activities produced an average gross income of at

least one thousand dollars per year during the two years immediately preceding the tax year or there is evidence of anticipated yearly gross income of this amount.

(3) The Authority shall make rules and regulations reasonably necessary to carry out the provisions of this Act.

Section 3. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

Persons who apply for guarantees on farm development loans shall make application to the Authority on forms furnished by the Authority. The following information shall be included in the application:

(1) Proof that the applicant is unable to obtain funds with which to purchase farm land without a guarantee from the Authority.

(2) Proof of intention to use the land for farm purposes, and of the suitability of the land for that purpose.

(3) Proof that the applicant is purchasing or has a fee simple title to real estate, free of all liens superior to this mortgage.

(4) Such information as to the assets, liabilities, credit and character of the applicant as are reasonably necessary for the use of the Authority to determine whether the applicant will be able to meet his mortgage payments.

Section 4. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

A copy of the mortgage to be executed shall be filed with the application. The mortgage shall be made to and held by a mortgagee approved by the Authority as responsible and able to service the mortgage properly. It shall have a maturity date satisfactory to the Authority but not to exceed twenty-five years from the date of the execution of the mortgage.

Section 5. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

The applicant for a loan guarantee shall agree to use the land purchased for farming purposes only, so long as the guarantee

remains in force. The Authority may consent, under terms and conditions prescribed by it, to release applicant from his agreement on the whole property or any part thereof.

Section 6. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

The Authority may hire lawyers, agricultural experts and other necessary personnel to process applications and to properly administer the provisions of this Act.

Section 7. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

When the Authority approves an application for a farm development loan guarantee, it shall issue a letter of farm development loan guarantee, duly signed by the authorized agent of the Authority. Copies shall be sent to the applicant and to the mortgagee. An approved applicant shall pay to the Farm Development Loan Fund a funding fee equal to one-half of one percent of the total amount of the loan to be guaranteed. The funding fee shall be paid annually upon the anniversary of the loan and shall be deposited with the State Treasurer by the Authority to the credit of the Trust and Agency Fund provided for in Section 11 of this Act, and shall be used for administrative expenses as provided herein.

Section 8. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

When a default occurs on a loan guaranteed by this Act, the Authority shall be immediately informed by the mortgagee. If it becomes necessary for the mortgagee to foreclose and to sell the land in order to recover the purchase price, the Authority shall be kept informed of all action taken by the mortgagee, and shall be authorized to bid at the sale of the land. When the land is sold to recover any judgment, the Authority shall authorize payment by the State Treasurer from the Farm Development Guarantee Loan Fund to the mortgagee the difference, if any, between the sale price and the amount remaining due on the judgment, except that such payment shall not exceed the amount of the loan guarantee.

Section 9. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

When a guaranteed loan is paid in full, the mortgagee, upon request of the Authority, shall release the Authority from further obligation by signing a form of release provided by the Authority.

Section 10. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

No applicant shall hold more than one loan guarantee from the Authority at a time.

Section 11. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby created in the State Treasury for the purpose of carrying out the provisions of this Act the Farm Development Loan Guarantee Fund, to which shall be credited all funds appropriated by the General Assembly to the Authority for the purpose of guaranteeing loans as provided by this Act, and all funds obtained from all other sources for such purposes. All general funds appropriated to this Fund shall become a part of this trust and agency account, and shall not lapse. Funds deposited to the credit of the trust and agency account may be invested as provided by law for the investment of Kentucky public employe retirement system funds by the State Treasurer at the direction of the Authority. Interest earning on such investments shall be retained for the benefit and use of the Authority as provided in this Act.

(2) The only expenditures authorized to be made from the Farm Development Loan Guarantee Fund shall be for the payment of default accounts, and for administrative expenses.

Section 12. A new section of Chapter 246 of the Kentucky Revised Statutes is created to read as follows:

(1) For the purposes of this Act, there is allocated to the Farm Development Loan Guarantee Fund from the General Expenditure Fund monies appropriated for the 1970-1972 biennium to the Capital Construction account, the following amounts:

1970-71	$50,000
1971-72	$50,000

This money shall be taken from the money appropriated to the Capital Construction Fund for the 1970-1972 biennium not otherwise specifically appropriated for capital construction projects and earmarked in the 1970-1972 executive budget document only for general construction and repairs.

(2) The Commissioner of Finance shall transfer such funds from the Capital Construction Fund as appropriated by this Act to the Farm Development Loan Guarantee Fund.

The Committee Amendment to **HB 577** is as follows:

Amend printed copy of House Bill 577 on page 2, second literary paragraph, by amending "$2,225,000" to read "$10,500,000";

and on page 3, line 18, by amending "$5,000" to read "$7,500";

and on page 3, line 19, by adding at end of line 19 the following:

"The aggregate of all guaranteed loans shall at no time exceed the amount of the Farm Development Loan Guarantee Fund as provided in this Act when multiplied by thirty.";

and on page 8, line 4, by amending "$50,000" to read "$200,000";

and on page 8, line 5, by amending "$50,000" to read "$200,000";

and on page 8, beginning at line 14, by adding a new subsection to read:

"(3) In the event that a General Obligation Bond issue for Capital Construction is authorized and approved by the General Assembly and the voters of the Commonwealth in 1970, $400,000 of the proceeds, when available, from the sale of the bonds shall be allocated for the purposes of this Act. To the extent that funds have been transferred under subsection (1) of this section prior to the sale of the bonds, the Commissioner of Finance shall repay the Capital Construction account of the General Expenditure Fund and transfer the remainder of the $400,000 to the Farm Development Loan Guarantee Fund. Thereafter, no further monies shall be paid to the Farm Development Loan Guarantee Fund from the General Expenditure Fund for the 1970-1972 biennium."

HB 565, AN ACT relating to wildlife sanctuaries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 148.001 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Department" means the Department of Parks.

(2) "Commissioner" means the Commissioner of Parks.

(3) "Commission" means the State Property and Buildings Commission.

(4) "Sanctuary" means a place of refuge where wildlife is maintained and protected from depredation and destruction.

(5) "Wildlife" means all living things that are neither human nor domesticated, including but not limited to mammals, reptiles, amphibians, birds, fishes, crustaceans, mollusks, trees, shrubs, vines, wildflowers, and non-flowering plants.

Section 2. A new section of Chapter 148 of the Kentucky Revised Statutes is created to read as follows:

(1) All areas controlled by the Department of Parks are designated wildlife sanctuaries for the purpose of affording protection to the wildlife thereon as natural, integrated, interrelated, ecological communities.

(2) No unauthorized person shall enter a wildlife sanctuary and take, damage, injure, kill, destroy or unduly disturb the wildlife therein except as provided in subsection (3) hereof.

(3) The department may issue to any person a permit for the scientific collection of wildlife provided the applicant for such permit holds a current state scientific collecting permit issued by the Department of Fish and Wildlife.

(4) This section does not apply to fish taken pursuant to Chapter 150 of the Kentucky Revised Statutes and all rules and regulations promulgated by the Department of Parks and the Department of Fish and Wildlife.

(5) The department may remove, destroy or disturb wildlife in the course of operating and administering the parks, giving consideration to the ecological impact on the sanctuary as a whole.

(6) Any person who violates this section shall be fined not less than ten dollars nor more than one hundred dollars.

Calendar

HB 338, HB 270, HB 620, HB 621, HB 622, HB 437, HB 401, HB 534, HB 384, HB 279, HB 298, HB 318, HB 379, HB 543, HB 578, SB 59, SB 91, SB 180, SB 206, and **SR 13** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 29, HB 208** and **HB 150** had been examined and found correctly enrolled. **HB 29, HB 208** and **HB 150** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 29, HB 208 and **HB 150** delivered, signed by President. Ordered delivered to the Governor.

The Committee on Rules reported **HB 216, HB 236, HB 479, HB 315, HB 240** with Committee Substitute attached thereto, **HB 451, HB 452** and **HR 71** have been posted for passage in Orders of the Day, March 5, 1970.

The Committee on Rules reported **HB 56,** with Committee Amendment attached thereto, has been recommitted to the Committee on Public Utilities for the purpose of holding a public hearing and amending.

Motions, Petitions and Communications

Representative Rickert filed an amendment to **HB 347.**

Representative Isler filed an amendment to **HB 57.**

Representative Conn filed an amendment to **HB 578.**

Representative Kenton filed an amendment to **HB 92.**

Representative Stuart moved the adoption of **HR 81.** Agreed.

HR 81, A RESOLUTION honoring the late J. Graham Brown.

WHEREAS, during his life, J. Graham Brown contributed his time, talents, and wealth to his beloved Commonwealth and her people feeling that by the nature of these contributions he was assisting Kentuckians to assist themselves and gain a national reputation for a quality of life that would be admired and respected by all; and

WHEREAS, Mr. Brown, because of his belief that Kentucky and her citizenry had given so much to him in his lifetime, decided to return many-fold to Kentucky and her citizens the blessings he had received; and

WHEREAS, J. Graham Brown bequeathed his entire fortune, estimated at approximately seventy-five million dollars to the J. Graham Brown Foundation to promote the well-being of the citizens of Louisville and the citizens of this Commonwealth in matters of business, education, health, general welfare, and advancements, and to create a desire in the citizens of the Commonwealth to assist in efforts for which all can be proud; and

WHEREAS, because of this love for his fellow Kentuckians, his many contributions will continue to benefit the Commonwealth for generations to come.

NOW, THEREFORE,

Be it resolved by the Senate and the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That this day, Thursday, March 5, 1970, be proclaimed as

J. Graham Brown Day throughout our Commonwealth and do further resolve that this august body go on record as requesting the State Properties and Buildings Commission to acquire and permanently affix in an appropriate place in the State Capitol Building a portrait of this generous man for whom it can truly be said, "Large was his wealth, but larger was his heart."

The following Discharge Petition was filed by Representative Blythe and others in regard to **HB 562:**

DISCHARGE PETITION

Pursuant to House Rule 47 of the 1970 Regular Session of the Kentucky General Assembly, the following regularly elected and qualified members of the House hereby request that **HB 562** be discharged from the Committee on Appropriations and Revenue, to which it was referred by the Committee on Committees on Feb. 25, 1970, for consideration by the House as provided in the said rule.

1. E. Bruce Blythe, Jr.
2. Robert Hughes
3. Omar Parish, Jr.
4. Austin Wenz
5. W. J. Louden
6. R. K. Keith
7. James Alexander
8. Glenn Freeman
9. Dwight Wells
10. J. M. Salyers
11. Guy Lovins
12. T. C. Simmons
13. Fon Deskins
14. Lloyd McKinney
15. George Massey, Jr.
16. Archie Brown
17. William Donnermeyer
18. O. A. Durham
19. Edward L. Holloway
20. Raymond Collins
21. Russell Reynolds
22. Clifford M. Sharpe
23. J. E. White
24. Phillip E. King
25. Theron Kessinger

This petition dated March 4, 1970

Orders of the Day

Representative McBrayer moved that consideration of **HB 65, HB 79, HB 92, HB 225** and **HB 369** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 64, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Curlin moved the adoption of the Committee Amendment to **HB 64**. Agreed.

On the roll call the vote was yeas 82—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Collins, Conn, James A. Davis, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

HB 64 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 64** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 265** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 331, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative J. Hardin moved the adoption of the Committee Amendment to **HB 331**. Agreed.

On the roll call the vote was yeas 79—Alexander, Allen, Arnett, Baker, Blandford, Archie Brown, Edward G. Brown,

Hershel Brown, Clarke, Collins, Conn, James A. Davis, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 2—Bruce, DeMarcus.

HB 331 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 331** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 336 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On roll call the vote was yeas 84—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 336 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 336** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 352 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 88—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 352 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 352** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 371 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 83—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Clarke, Conn, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West,

Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 2—Lovins, Roberts.

HB 371 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 371** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 381 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 86 — Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 2—Graves, Roberts.

HB 381 was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 381** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 480 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 76 — Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin,

Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, Kleier, Knuckles, Lewis, Lindsay, McBride, McCann, McKinney, McNamara, Massey, Mershon, Murphy, Nett, Osborne, Parish, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 4—Lovins, Mitchell, Paxton, Simmons.

HB 480 was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 480** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 79, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Murphy moved the adoption of the Committee Substitute for **HB 79**. Agreed.

On the roll call the vote was yeas 84—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, McBrayer, McCann, McKinney, Massey, May, Mershon, Mitchell, Murphy, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Roberts, Ruh, Schmidt, Sharpe, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 4—Lindsay, Lovins, McBride, Rickert.

HB 79, by way of Committee Substitute, was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HB 79**, by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HJR 55 taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 77—Alexander, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Swinford, Tobin, Van Horn, Wells, Wenz, West, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 1—Stuart.

HJR 55 was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **HJR 55** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 108 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 86—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Hershel Brown, Carter, Clapp, Clarke, Collins, Conn, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 0.

SB 108 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **SB 108** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 201 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89 — Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

SB 201 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **SB 201** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HR 67** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 350 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 62—Alexander, Allen, Arnett, Blandford, Blume, Edward G. Brown, Hershel Brown, Bruce, Carter, Clapp, Clarke, Collins, Conn, James A. Davis, Deskins, Donnermeyer, Dorris, Freeman, Graves, Haney, Head,

Hinkle, Hughes, Isler, Keene, Kenton, Kidd, King, Kleier, Knuckles, Lewis, Louden, McBrayer, McBride, McCann, McNamara, May, Mershon, Miller, Osborne, Parish, Paxton, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Simmons, Swinford, Van Horn, Wenz, Glenn White, Wible, Wright, Wyatt, Yocom. Nays 8—Baker, Blythe, DeMarcus, Durham, Holloway, Huff, Peak, Stuart.

HB 350 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 350** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **SB 147** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 243 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 89 — Alexander, Allen, Arnett, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Yocom. Nays 0.

HB 243 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 243** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 309 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Alexander moved the adoption of the following Amendment to **HB 309:**

Amend printed copy of House Bill 309 on page 1, line 4, by:

deleting the word "or" and inserting in lieu thereof the word "and"

Agreed.

On the roll call the vote was yeas 56 – Alexander, Allen, Arnett, Blandford, Blythe, Edward G. Brown, Bruce, Carter, Clapp, Conn, James A. Davis, Deskins, Dorris, Freeman, Graves, Haney, Head, Hinkle, Hughes, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Louden, McBrayer, McBride, McCann, McNamara, Massey, May, Miller, Mitchell, Nett, Parish, Peak, Pollitte, Prather, Priddy, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Roberts, Ruh, Swinford, Tobin, Van Horn, Wells, Wenz, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 25–Baker, H. Brown, Clarke, Collins, W. Davis, DeMarcus, Durham, Floyd, L. Hardin, Huff, Isler, King, Knuckles, Lewis, Lindsay, Osborne, Paxton, Ray, Rickert, Schmidt, Sharpe, Simmons, Stuart, West.

HB 309 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 309** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 180** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 314 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 79 – Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Collins, Conn, James

A. Davis, Walter Davis, DeMarcus, Deskins, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, W. J. Reynolds, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Tobin, Van Horn, Wells, Wenz, West, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 2—Reed, Rickert.

HB 314 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 314** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 265 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 75 — Alexander, Allen, Arnett, Bartley, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Carter, Clarke, Collins, Conn, DeMarcus, Deskins, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Kenton, Kessinger, Kidd, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Swinford, Tobin, Van Horn, Wells, West, Wheeler, Glenn White, Wible, Wright, Wyatt. Nays 1—Yocom.

HB 265 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 265** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 328, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read

by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lindsay moved the adoption of the Committee Amendment to **HB 328.** Agreed.

On the roll call the vote was yeas 86 – Alexander, Allen, Arnett, Baker, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 328 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 328** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 339 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 86 – Alexander, Allen, Arnett, Baker, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carter, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn,

Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 339 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 339** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 426 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 80—Allen, Arnett, Baker, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carter, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Osborne, Parish, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, John E. White, Wible, Wright. Nays 3—Alexander, Kenton, Paxton.

HB 426 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 426** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HR 67 taken from Orders of the Day. Representative McBrayer moved that it be placed upon its passage. Agreed.

Representative Blume moved the adoption of **HR 67.** Agreed.

HR 67, A RESOLUTION directing a study of the Kentucky Railroad Commission.

WHEREAS, the statutory authority and limitations of the

Kentucky Railroad Commission were last examined in depth and revised in 1945; and

WHEREAS, it is the policy of this General Assembly to provide for periodic reexamination and modernization of those statutes which regulate Kentucky agencies; and

WHEREAS, the time remaining for this General Assembly is insufficient to allow in depth study of the Railroad Commission;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is directed to study the statutes and rules of practice which relate to the Railroad Commission. The Legislative Research Commission shall appoint an advisory committee which shall include representatives of railroad management and of railroad labor, and such other persons as the Legislative Research Commission may deem appropriate.

Section 2. The results of this study and any recommendations shall be reported to the 1972 Regular Session of the General Assembly.

HB 442, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Swinford moved the adoption of the following Amendment to **HB 442:**

Amend printed copy of House Bill 442 on page 5, line 22, by: inserting the word *"primarily"* after the word "organized" and before the word "for"

Agreed.

Representative Swinford moved that the Committee Amendment to **HB 442** be withdrawn. Agreed.

On the roll call the vote was yeas 91 – Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blythe, Archie Brown, Edward

G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 442 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 442** as amended was passed by reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that consideration of **HB 429** and **HB 436** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 460, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Swinford moved the adoption of the Committee Amendment to **HB 460.** Agreed.

On the roll call the vote was yeas 84 – Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Collins, Conn, Deskins, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keene, Keith, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 0.

HB 460 as amended was passed and the title agreed to.

Representative Swinford moved that the vote by which **HB 460** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative E. G. Brown moved that consideration of **HB 474, HB 482** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 498 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Swinford moved the adoption of the following Amendment to **HB 498:**

Amend printed copy of House Bill 498 on page 2, adding after the end of line 4 the following:

"Section 2. This Act shall become effective January 1, 1971." Agreed.

On the roll call the vote was yeas 57—Alexander, Baker, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Clapp, Clarke, Collins, Conn, Walter Davis, Donnermeyer, Dorris, John O. Hardin, Head, Hinkle, Holloway, Huff, Keene, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, McBrayer, McCann, Massey, May, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Prather, Rattliff, Reed, Russell Reynolds, W. J. Reynolds, Rickert, Roberts, Schmidt, Simmons, Stuart, Swinford, Tobin, Wenz, West, John E. White, Wible, Wyatt, Yocom. Nays 17—Allen, Bruce, J. Davis, Floyd, Graves, Hughes, Isler, Keith, Lovins, McBride, Mershon, Peak, Priddy, Ray, Ruh, Van Horn, G. White.

HB 498 as amended was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **HB 498** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Baker filed two amendments to **SB 147.**

HB 429 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved

that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 81 – Alexander, Allen, Arnett, Baker, Bartley, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Clapp, Clarke, Collins, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, King, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Rattliff, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt. Nays 9– Blume, Conn, Kenton, Kidd, Kleier, Priddy, Ray, Rickert, Van Horne, Yocom.

HB 429 was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **HB 429** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 115** had been examined and found correctly enrolled. **SB 115** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day (Continued)

HB 520 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 80 – Alexander, Allen,

Arnett, Baker, Bartley, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Carter, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Lewis, Lindsay, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Simmons, Stuart, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 520 was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **HB 520** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer presiding.

HB 528, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative Carroll moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Carroll moved the adoption of the Committee Amendment to **HB 528.** Agreed.

On the roll call the vote was yeas 83 – Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McCann, McKinney, McNamara, Massey, May, Mershon, Miller, Mitchell, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 2–McBride, Priddy.

HB 528 as amended was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **HB 528** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 532 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 71 – Alexander, Allen, Arnett, Baker, Blandford, Blume, Archie Brown, Edward G. Brown, Clapp, Clarke, Collins, Conn, Deskins, Donnermeyer, Dorris, Durham, Graves, Haney, John O. Hardin, Head, Hinkle, Huff, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 9—Bartley, H. Brown, Bruce, DeMarcus, Floyd, Hughes, Priddy, Ray, Wheeler.

HB 532 was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **HB 532** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 542 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 77 – Alexander, Allen, Bartley, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Clarke, Conn, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, Head, Hinkle, Holloway, Isler, Keene, Keith, Kenton, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte,

Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 542 was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **HB 542** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HJR 63 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 75 – Alexander, Allen, Arnett, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Clapp, Clarke, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, Head, Hinkle, Huff, Isler, Keene, Keith, Kenton, Kessinger, King, Kleier, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, John E. White, Wible, Wright, Wyatt. Nays 2–Roberts, Wheeler.

HJR 63 was passed and the title agreed to.

Representative Rickert moved that the vote by which **HJR 63** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 96 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 91 – Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Carter, Clapp, Clarke,

Collins, Conn, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Louden, Lovins, McBrayer, McBride, McCann, McKinney, Massey, May, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

SB 96 was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **SB 96** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

SB 114 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 85 – Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clarke, Collins, Conn, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keene, Keith, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McCann, McKinney, McNamara, Massey, Mershon, Miller, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 1—Roberts.

SB 114 was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **SB 114** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Dorris filed an amendment to **SB 30.**

SB 122 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 78 – Alexander, Allen, Arnett, Baker, Bartley, Blandford, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clarke, Conn, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keene, Keith, Kenton, Kessinger, King, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Swinford, Tobin, Van Horn, Wells, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 0.

SB 122 was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **SB 122** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **HB 408, HB 205, HB 327, HB 234** and **HB 263.**

Announcing passage of **SB 281, SB 291, SB 285** and **SB 303.**

Representative E. G. Brown moved that when the House adjourns it do so by voice vote. Agreed.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 646, HB 647, HB 648, HB 659.**

Banking and Insurance: **SB 253.**

Business Organizations and Professions: **SB 169.**

Cities: **HB 645.**

Counties and Special Districts: **HB 650.**

Education: **SB 194, SB 232.**

Health and Welfare: **HB 644.**

Highways and Traffic Safety: **SB 156.**

Judiciary: **HB 649, HB 654, HB 655, HB 656, HB 657, HB 658.**

Labor and Industry: **HB 653.**

Public Utilities and Transportation: **HB 652.**

State Government: **HB 651, SB 230.**

Representative Wible moved that the Rules be suspended for Introduction of Bills and Resolutions and Report of Committees. Agreed.

Introduction of Bills and Resolutions

HB 687, by Representative Ray: AN ACT relating to blood banks.

HB 688, by Representatives Schmidt, Holloway, Clarke, Stuart, Arnett and Lewis: AN ACT relating to tuberculosis control.

HB 689, by Representative DeMarcus: AN ACT relating to the reporting of deaths and loss from fire, lightning, or explosion.

HB 690, by Representative Murphy: AN ACT relating to photography.

HR 82, by Representatives Parish, Head, J. Hardin, Bruce, Lewis, McBride, and Blythe: A RESOLUTION relating to the Trade Water River.

HCR 83, by Representative Ruh: A CONCURRENT RESOLUTION declaring the independence of the General Assembly.

Report of Committees

The Committee on Elections and Constitutional Amendments reported **HB 147** with the expression of opinion that the same should pass.

Calendar

HB 147 taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that it be read by title only. Agreed by a majority of members elected.

Announcements

The Clerk announced the following Special Meetings:

Health and Welfare, Room 401, March 6, 1970, 10:00 a.m.

Appropriations and Revenue, Room 404, March 6, 1970, 10:00 a.m.

The Clerk announced the following Bills and Resolutions were posted for consideration:

State Government: **HR 59.**

Agriculture and Natural Resources: **SB 67.** (Room 401, March 11, 1970, 11:00 a.m.)

Judiciary: **SB 150, SB 24.** (Room 402, March 5, 1970, 10:00 a.m.)

Counties and Special Districts: **HB 548, HB 559, HR 70.** (Room 401, March 5, 1970, 11:00 a.m.)

Elections and Constitutional Amendments: **HB 259, SB 15.** (Room 402, March 10, 1970, 10:45 a.m.)

Representative Carter moved that the House adjourn until 1:00 p.m., Thursday, March 5, 1970. Agreed.

THURSDAY, MARCH 5, 1970

FORTY-SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by the Reverend David Zaumeyer, Church of the Good Shepherd, Frankfort.

The roll was called. All present except Representatives McGill, McKinney, and Mitchell.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of March 4, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 691, by Representative McCann: AN ACT relating to thoroughbred racing.

HB 692, by Representatives Stuart and Curlin: AN ACT relating to pipeline safety standards.

HB 693, by Representative Wyatt: AN ACT relating to psychologists.

HR 84, by Representative Wells: A RESOLUTION authorizing and directing the Legislative Research Commission to conduct a study of local ad valorem taxes.

Report of Committees

The Committee on Highways and Traffic Safety reported **HB 422** with Committee Amendment attached thereto, and **HR 65** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 422, AN ACT relating to state and federal highways.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 177 of the Kentucky Revised Statutes is created to read as follows:

The State Highway Department shall apply white lines on the outside borders of all paved public roads and highways which the department determines to construct and maintain under KRS 177.020(2), including city streets and federal highways. The lines shall be of the same material used by the department in marking the center and lane areas.

The Committee Amendment to **HB 422** is as follows:

Amend printed copy of House Bill 422 on page 1, line 3, by: striking the word "white"

and on line 4, by adding after the word "highways" the words "twenty feet or more in width"

and on line 8, by adding the following sentence: "The color of the lines shall be specified by the department."

HJR 65, A JOINT RESOLUTION creating a Legislative Transportation Study Committee.

WHEREAS, the Northern Kentucky Community is being strangled by its own traffic; and there are practical limits in time, expense and air pollution levels to solving this problem through ever-greater road building; and

WHEREAS, the economic, social and cultural level of our Community requires that adequate means of transporting people and goods into, out of and through our area be provided; and

WHEREAS, local control of transportation facilities planning, through elected officials responsible to the public, is a prime requisite; and

WHEREAS, the Northern Kentucky area is closely tied to areas in Ohio and Indiana by geography and by economic factors; and

WHEREAS, the Federal government is increasingly concerned with transportation problems in interstate urban areas, and is preparing to provide substantial aid for well-conceived regional approaches to these problems;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That a Joint Legislative Transportation Study Committee be appointed for the Northern Kentucky area.

Section 2. That the Committee shall be composed of four members of the General Assembly from the Northern Kentucky Region (Region 7), equally representing the two major political parties and the two houses of the General Assembly, appointed by the Governor.

Section 3. That the Committee be authorized to join in discussions with similarly constituted legislative bodies from the states of Ohio and/or Indiana in a joint commission to consider the legislative implications of regional transportation planning.

Section 4. That the Committee shall report the findings of said joint commission to the 1972 General Assembly, and in the interim to report as appropriate to the Legislative Research Commission.

Section 5. That the Committee is empowered to employ, at no further cost to the Commonwealth, the services of the OKI Transportation Study Staff and the Northern Kentucky Area Planning Staff for staff support, if such services are made available to it.

The Committee on State Government reported **HB 258** with Committee Amendment attached thereto, and **HB 623** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 258, AN ACT creating the Governor's Council on Economic Advisors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context otherwise requires:

(1) "Council" means the Governor's Council of Economic Advisors;

(2) "Chairman" means the Chief Administrative Officer of the Council;

(3) "Senior Colleges and Universities" means all four year institutions of higher learning in this state, whether public or private, accredited by the State Department of Education and authorized by law or charter to award bachelors and post graduate degrees.

(4) "Ex Officio" means non-voting members.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

There is hereby created in the executive branch of the state government a Governor's Council of Economic Advisors. The Council shall consist of eight members appointed by the Governor, at least three of whom shall be selected from the senior colleges and universities in the Commonwealth, and at least three others who shall be selected from the business, industrial and labor community. The Dean of the College of Business and Economics of the University of Kentucky, the Commissioner of Revenue of the Commonwealth, the Commissioner of Finance of the Commonwealth, and the Director of the Budget of the Commonwealth shall serve as ex officio members.

The terms of members initially appointed to the Council shall be: two members for a term of one year, three members for terms of two years, three members for terms of three years, and three members for terms of four years; thereafter all appointments shall be made for terms of four years and until their successors are appointed. Members of the Council shall be eligible for reappointment at the discretion of the Governor. Vacancies in the membership of the Council shall be filled in the manner

of original appointment for the unexpired portion of the vacated member's term.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

The Governor's Council of Economic Advisors shall:

(a) Prepare and submit to the Governor and the General Assembly no later than November 1, 1971, a report providing long range projections of the total economy of the Commonwealth to cover at least the years 1975, 1980, and 1990, and including but not limited to, information of the following socio-economic activities: personal income, labor force, employment, unemployment, profits, wages and population. Such projections may also be prepared for the fifteen officially designated Area Development Districts and other appropriate areas of the state as may be requested by the Governor. The economic projections made by the Council may be designated by the Governor as constituting official goals or objectives of the Commonwealth for use by all state agencies in formulating program and functional plans as a part of the state planning process.

(b) Prepare and submit to the Governor and the General Assembly no later than November 1, 1971, and each succeeding year, a report, including, but not limited to, an analysis of trends during the preceding year in employment and unemployment, wages, personal income, population growth or decline, production, trade and profit prospects and potentialities in each category of industry, business and agriculture in the state economy and other socio-economic activities deemed pertinent by the Council during the year covered, and a projection and analysis of all these activities during the following year. Projections for longer periods of time may be included with the Council's discretion. Such report will also evaluate progress made toward achieving long range projections and goals and comparisons made with national and regional trends.

(c) Cause to be carried out, in cooperation with other public or private institutions and agencies, research programs to help develop significant future growth potential for the Kentucky economy, such as additional agricultural crops and products, increased overseas markets, and new fields for economic expansion.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

The Governor shall appoint the Chairman from the membership of the Council. The chairman and the Council are authorized to utilize the staff and research services of the state colleges and universities, state agencies, and other appropriate firms and organizations as may be necessary to fulfill the Council's responsibilities. The Council shall be attached to the Office of the Governor of the Commonwealth for administrative purposes.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

The Council may disburse any and all funds appropriated by the General Assembly, any funds received from any state agency, and may apply for, receive and disburse funds from the federal government or any public agency or private organization for purposes of carrying out the provisions of this Act. Neither council members nor the chairman shall be entitled to compensation for their services on or for the Council, but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

Members shall not be considered to be state officers and membership on the Council shall not be incompatible with any other state office.

The Committee Amendment to **HB 258** is as follows:

Amend printed copy of House Bill 258 on page 2, line 15, by: deleting the word "three" and inserting "two" after "year,"

and on page 2, lines 16 and 17, by: deleting the word "three" and inserting "two" before "members"

and on page 4, line 16 by: inserting "(1)" at the beginning of the line and on page 4, lines 24-25, by: inserting the following between lines 24 and 25:

"(2) The monies appropriated to the Department of Finance by House Bill 18 from the General Expenditure Fund

and earmarked for the Governor's Council of Economic Advisors in the amount of $25,000 for the fiscal year 1970-1971 and $25,000 for the fiscal year 1971-1972, shall be transferred to the Governor's Office for use by the Council as provided by this Act."

"(3) The Commissioner of Finance shall transfer such funds to an appropriate account established for the purpose of receiving and disbursing funds as provided by this Act."

and on page 4, lines 17 and 18, by: deleting the words, "any funds received from any state agency"

and on page 4, line 19 by: deleting the words "public agency or"

HB 623, AN ACT relating to the display of the American flag.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 189.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall drive any motor vehicle with any sign, poster or other nontransparent material upon the front windshield, sidewings, side or rear windows of the vehicle, other than a paper required to be so displayed by law.

(2) Nothing in subsection (1) shall prevent the display of a representation of the American flag on the rear window of any motor vehicle, including any vehicle owned by a local or state government, provided that such representation does not exceed a size of five inches by eight inches and is placed in a lower corner of the rear window.

(3) [(2)] The windshield on every motor vehicle shall be equipped with a device for cleaning rain, snow or other moisture from the windshield. The device shall be so constructed as to be controlled by the operator of the vehicle.

The Committee on Judiciary reported **HB 287** and **SB 176** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 287, AN ACT relating to issuing checks not backed by sufficient funds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 434.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who with intent to defraud makes, draws, utters or delivers any check, draft or order for the payment of money upon any bank or depository, knowing at the time of the making, drawing, uttering or delivery that the maker or drawer has not sufficient funds in or credit with the bank or other depository for the payment of the check, draft or order in full upon its presentation; or who, after having made, drawn, uttered or delivered any check, draft or other order for the payment of money upon any bank or other depository, withdraws or causes to be withdrawn the money or any part of the money to the credit of the maker of the draft, check or other order for the payment of money, without leaving with the bank or other depository a sum sufficient to cover the check, draft or other order for the payment of money, shall, if the amount of the check, draft or order is under *$100* [twenty dollars], be fined not more than one hundred dollars, or imprisoned for not less than one nor more than ninety days, or both. If the amount of the check, draft or order is for *$100* [twenty dollars] or over, he shall be confined in the penitentiary for not less than one year nor more than two years.

(2) The making, drawing, uttering or delivering of a check, draft, or order described in subsection (1) of this section shall be prima facie evidence of intent to defraud.

SB 176, AN ACT relating to computation of periods of time.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 446.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) *(a) In computing any period of time prescribed or allowed by order of court, or by any applicable statute, the day of the act, event or default after which the designated period*

of time begins to run is not to be included. The last day of the period so computed is to be included, unless it is a Saturday, a Sunday, a legal holiday, or a day on which the public office in which a document is required to be filed is actually and legally closed, in which event the period runs until the end of the next day which is not one of the days just mentioned. When the period of time prescribed or allowed is less than seven days, intermediate Saturdays, Sundays and legal holidays shall be excluded in the computation.

(b) When a statute or order of court requires an act to be done either a certain time before an event or a certain time before the day on which an event occurs, the day of the event shall be excluded in computing the time.

If the day thereby computed on which or by which the act is required to be done falls on a Saturday, Sunday, legal holiday, or a day on which the public office in which the act is required to be completed is actually and legally closed, the act may be done on the next day which is none of the days just mentioned. [If a statute requires an act to be done a certain time before an event, the day on which the event occurs may be included in computing the time, but if the act is required to be done a certain time before the day on which an event occurs, the day on which the event occurs must be excluded; in either case the day on which the act as done may be counted as one day and as part of the time. The same principle shall apply when a certain time is required to elapse from the doing of an act, or the day of doing an act, before an event may take place.]

(2) If any proceeding is directed by law to take place, or any act is directed to be done, on a particular day of a month and that day is Sunday, the proceeding shall take place, or the act shall be done, on the next day that is not a legal holiday.

The Committee on Cities reported **HB 414**, with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

Committee Substitute, HB 414, AN ACT relating to public transit authorities in cities and counties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

This Act shall be known and may be cited as the "Kentucky Transit Authority Act."

Section 2. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context otherwise requires, the following words or terms shall mean as follows:

(1) "city" means any incorporated city in the Commonwealth;

(2) "county" means any county in the Commonwealth wherein there is located an incorporated city;

(3) "state" means the Commonwealth;

(4) "Transit Authority" or "Authority" means a Transit Authority created pursuant to this Act;

(5) "board" means the board of a Transit Authority;

(6) "public body" means any city or county of the Commonwealth;

(7) "governing body" means, as to a county, the fiscal court thereof; and as to a city, the legislative body thereof, howsoever the same may be denominated according to law;

(8) "proceedings" means, in the case of a county, a resolution of its fiscal court; and in the case of a city, an ordinance adopted and made effective according to law by its governing body;

(9) "joint proceedings" relates only to the establishment of a Transit Authority by two or more public bodies acting in concert or by agreement, and means the proceedings, taken collectively, by the governing bodies of the public bodies, participating in the creation and establishment of a Transit Authority;

(10) "appointing authority" means, as to a county, the county judge thereof; and as to any city, the elected chief officer

thereof, whether designated as its mayor or the chairman of its board of trustees or otherwise;

(11) "area" or "transit area" means the geographical area which may be encompassed from time to time within the lawful boundaries of such cities and counties as may be involved in the creation and establishment of an Authority; and of any cities or counties within any single unified metropolitan area which may subsequently become participants as provided in this Act.

(12) "mass transit," or "mass transportation," means the local transportation of persons and their baggage within a transit area, but shall not include charter bus operations beyond the Authority's transit area, the for-hire operation of a taxicab, airport limousine, or industrial bus as defined by KRS Chapter 281.

Section 3. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) A Transit Authority may be created and established under the provisions of this Act by proceedings or joint proceedings, and the name thereof shall be "Transit Authority of _____." If established by a city alone, or by a county alone, the name shall be completed by identification of the city or county. If created and established by joint proceedings, the name may be completed by inserting words generally identifying the area intended to be served, in such manner as the public bodies may determine by concert or agreement in their joint proceedings. Such Transit Authority shall constitute an agency and instrumentality for accomplishing essential governmental functions of the public body or public bodies creating and establishing the same, and shall be a political subdivision and a public body corporate, with power to contract and be contracted with, to sue and be sued, to establish, alter and enforce rules and regulations in furtherance of the purposes of its creation, to adopt, use and alter a corporate seal, and to have and exercise, generally, all of the powers of private corporations, as enumerated in KRS 271.125, except to the extent the same may be inconsistent with this Act. An Authority shall be authorized to promote and develop mass transportation in its transit area, including acquisition, operation and extension of existing mass transit systems; and an Authority shall have and may exercise such powers as may be necessary or desirable to carry out such

purposes. Subject to proof of public convenience and necessity as required by KRS Chapter 281 it may provide service outside its transit area.

(2) Subsequent to the creation and establishment of a Transit Authority, one or more additional public bodies may be permitted to join therein, in such manner and subject to such conditions as may be prescribed by the board of the Authority with the concurrence and approval of all public bodies which have theretofore participated in the establishment or previous enlargement of the Authority.

Section 4. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

A Transit Authority created and established under the provisions of this Act shall become a corporate entity (1) in the case of an Authority created and established by a single public body, upon the effective date of the proceedings of the governing body thereof, and (2) in the case of an Authority created by joint proceedings, upon the effective date of the last of such joint proceedings.

Section 5. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) The business, activities and affairs of a Transit Authority shall be managed, controlled and conducted by a board consisting of members appointed as follows:

(a) If the Authority is established by one city alone, or by a county alone, the members shall be eight in number and shall be appointed by the appointing authority of such city or county;

(b) If the Authority is established by joint proceedings of two public bodies, the membership shall be eight in number, four of whom shall be appointed by the appointing authority of each of such public bodies;

(c) If an Authority is created and established by joint proceedings of more than two public bodies, the membership shall be eight in number, plus one additional member for each participating public body in excess of two, and the members thereof shall be appointed by the appointing authorities of the par-

ticipating public bodies in such manner as may be set forth in the joint proceedings;

(d) If an Authority is created and established, and subsequently one or more other public bodies are permitted to join therein, the membership of the board may be enlarged, with the concurrence and approval of the governing bodies of the public bodies theretofore participating, by not more than one additional member for each additional public body so permitted to join the Authority.

(2) No officer or employee of any public body represented in the creation, establishment, or enlargement of an Authority shall be eligible for appointment to the board.

(3) After the effective date of the creation of an Authority as provided in this Act, the appointing authority or the appointing authorities, as the case may be, shall, in such manner as may be specified in the proceedings or joint proceedings, appoint at least two members for terms of one year, at least two members for terms of two years, at least two members for terms of three years, and the remaining number for terms of four years; such terms to expire, in each instance, on June 30 and thereafter until a successor is appointed and accepts appointment. Upon the expiration of these initial staggered terms, successors shall be appointed by the respective appointing authorities, for terms of four years, and until successors are appointed and accept their appointments. Members shall be eligible for reappointment.

(4) Any member of the board may be removed by his or her appointing authority for inefficiency, neglect of duty, malfeasance, conflict of interest, or want of mental or physical capacity to serve. Any appointing authority exercising the power to remove a member of the board shall submit to the board a written statement setting forth the reasons for removal. Notice shall be given to the member named in such statement; a hearing, if requested, shall be conducted within thirty days before the members of the board who are not the subject of such removal proceedings; a record of the hearing shall be made by the secretary-treasurer of the board; and the member named in such removal notice may appeal any adverse decision, within ten days after the rendering thereof, to the circuit court of any county which is served in whole or in part by the facilities of the Tran-

sit Authority, such appeal to be perfected by filing with the clerk of such court a copy of the removal proceedings certified by the secretary-treasurer of the board. The court, upon application of the member removed, may in its discretion order that the original record of the proceedings be filed with the clerk as the basis for such appeal. There shall be no right of appeal to the Court of Appeals.

(5) Members of the board shall be allowed reasonable expenses necessarily incurred by them in the conduct of the affairs of the Authority. Compensation may be paid to members of the board if so provided in the proceedings or joint proceedings, subject to such limitations as may be set forth therein.

Section 6. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Each authority shall operate for an initial fiscal period ending on June 30 next following the effective date of its creation as a corporate entity; and shall thereafter operate on a fiscal year basis beginning each July 1 and ending on the next ensuing June 30.

Section 7. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) Regular meetings of the board shall be held at least once in each calendar month, at such time and place as may be fixed by the board as a matter of record. Special meetings of the board may be called by the chairman or any two members of the board upon oral or written notice to all members at least forty-eight hours in advance. Each notice of a special meeting shall state the time, place and purpose or purposes thereof. Notice may be waived by any member, orally or in writing, before, at or after such special meeting; and the presence of any member at any such special meeting shall constitute a waiver of any defect of notice, unless such member shall cause it to appear of record that his attendance is only for the purpose of objecting to any deficiency in the notice or the time or manner of giving the same.

(2) A majority of the members of the board shall constitute a quorum for the transaction of business, but a smaller num-

ber may adjourn from time to time, and may compel the attendance of absent members in such manner and under such penalties as the Authority may previously have provided for, according to its by-laws. The affirmative vote of a majority of a quorum shall be necessary for the adoption of any motion, measure or resolution. Passage of any motion, measure or resolution may be by voice vote, provided (a) at the request of any member the yea and nay votes shall be recorded upon call of the roll, and (b) such record shall be made in all proceedings involving any adjustment of rates and charges for use of the services and facilities of the mass transportation system of the Authority, authorization of proceedings to acquire property through exercise of the power of eminent domain, the issuance of revenue bonds or mortgage bonds of the Authority, a request that general obligation bonds be issued by any public body for the benefit of the Authority, or approval and authorization of any lease agreement wherein the Authority is the lessor and a public body or public bodies (or any combination thereof) may be the lessee or lessees, as provided in this Act.

Section 8. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) The board shall, within sixty days after the appointment of its entire initial membership, and thereafter in July of each year, elect from its members a chairman and a vice chairman. It may, in its discretion, employ an executive director and a secretary-treasurer, neither of whom shall be a member of the board; provided, however, if the creation and establishment of the Authority is shown by the provisions of the proceedings or joint proceedings to have been undertaken only on a stand-by basis, the board may defer the employment of an executive director and may, on an interim basis, designate a secretary-treasurer from its own membership.

(2) The board may, in its discretion, employ necessary legal counsel and other agents and employees to carry out its work and functions, and may from time to time prescribe and alter such rules and regulations as it may deem necessary.

(3) The executive director, if and when employed in the discretion of the board, shall be experienced and knowledgeable

in the field of transportation; and if and when employed, such executive director shall be the chief executive officer of the Authority, having such powers and duties as the board may prescribe. Such executive director may recommend the establishment or alteration of rules and regulations, and of rates and charges for use of the services and facilities of the mass transportation system of the Authority; but action in such respects, and in the issuance of revenue bonds or mortgage bonds of the Authority, and in requesting the issuance of general obligation bonds by other public bodies for the benefit of the Authority, and in authorizing leases of the properties of the Authority for financing purposes, shall be taken by the board, or by the executive committee of the board if properly thereunto authorized.

(4) The secretary-treasurer shall keep the minutes of all meetings of the board, and shall also keep a set of books showing the receipts and expenditures of the board. He shall preserve on file duplicate vouchers for all expenditures and shall present to the board, upon request, complete reports of all financial transactions and the financial condition of the board. Such books and vouchers shall at all times be subject to examination by the governing body of any public body by which the Authority was created or enlarged. He shall transmit at least once annually a detailed report of all acts and doings of the board to the public body or bodies by whom the board was created. He shall cause all monies of the Authority coming into his hands to be deposited in one or more financial institutions, as designated from time to time by the board.

(5) The board shall require its secretary-treasurer, and its executive director, if and when such executive director shall be employed, each to execute bond in favor of the Authority, in such respective penal sums as the board may fix, in favor of the Authority, and conditioned upon faithful performance of the duties of such offices and full accounting to the Authority. Each such bond shall be with corporate surety, provided by a corporate surety company qualified to transact business in Kentucky and approved, in each instance, by the board. The board may in like manner require similar bonds, with corporate surety, to be given by other officers, agents and employees in such manner and in such penal sums, as it may specify from time to time. Premiums payable to sureties upon such bonds shall be paid by

the Authority and may be chargeable as an operating expense of the Authority.

(6) The board shall fix the salaries, wages or other compensation of the officers, agents and employees whom it may engage from time to time; in each case within such limitations, if any, as may be prescribed in the proceedings or joint proceedings set forth in the establishment of the Authority, or as such proceedings may be amended; but such salaries, wages or other compensation shall constitute obligations of the Authority only, and shall be payable from the Authority's revenues and any other available resources, and shall not constitute obligations of any city or county participating in the creation and establishment, or subsequent enlargement, of the Authority.

(7) The board may, by resolution duly adopted and spread at large upon its public records, establish an executive committee, composed of such members of the board as may be specified in such resolution, and may authorize such executive committee to exercise in intervals between board meetings any powers of the board except those powers which are expressly required by this Act or by other controlling provisions of law to be exercised by the board.

(8) The board may create such other committees of its members as it may deem necessary or proper; but the same shall be advisory in nature and shall report to the board or to the executive committee, and shall not be authorized to take any independent action except in such advisory capacity.

Section 9. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) A Transit Authority may establish mass transportation within its transit area, but may not inaugurate service in direct competition with any existing certificated carrier.

(2) In addition to the power conferred upon an Authority by this Act, an Authority may acquire real or personal property, easements, franchises, bus certificates, or other rights by any lawful means necessary to its operation of any existing mass transit system within its transit area, provided that having acquired an existing transit system it shall not thereafter inaugurate

service in direct competition with any other existing certificated carrier.

(3) An Authority may, if unable to contract or agree with the owner or owners thereof, acquire real and personal property, franchises, bus certificates, easements and other rights when necessary in and to the accomplishments of the public purposes of the Authority, through exercise of the power of eminent domain; provided, however, that in acquiring any private bus company pursuant to this section, the authority may not do so piecemeal but shall acquire the entire system including that which may be outside the area then included within the authority. An Authority shall not condemn any real and personal property, franchises, bus certificates, easements and other rights of a private bus company the majority of whose passengers move between termini without the transit area. Any exercise of such power shall be initiated by resolution of the board of Authority identifying the properties or rights to be acquired, reciting the board's determination that acquisition by such means is necessary, and authorizing initiation of proceedings as required by law; and such resolution of the board of the Authority shall be conclusive of such determinations and shall not be disturbed in the absence of fraud, bad faith or abuse of discretion.

(4) Proceedings in the exercise of the power of eminent domain herein vested in an Authority shall, except where inconsistent with this Act, be such as are prescribed for the State Department of Highways by KRS 177.082 to 177.089, inclusive, and as the same may be amended and supplemented from time to time. All such proceedings shall be governed by the provisions of the Rules of Civil Procedure except where the provisions of this Act or of KRS 177.082 or 177.089, inclusive, specifically or by necessary implication provide otherwise. If a privately owned mass transportation system, or other property sought to be acquired by an Authority, shall have been acquired or improved in whole or in part at the expense of the Authority, the cost and value of such acquisitions and improvements shall be excluded in any proceedings to establish the fair value thereof.

(5) During any period when negotiations for the purchase of a mass transit system are in progress, and/or during any period when proceedings for acquisition of a mass transportation

system through exercise of the power of eminent domain may be pending, an Authority may make reasonable subsidy payments to the owner or owners of such mass transit system if, in the judgment of the board of the Authority, such subsidy payments are necessary in order to give reasonable assurance that there will be no substantial reduction of transportation service to the public. Such subsidy payments may be made by an Authority from any resources available to it, or from appropriations made or agreed to be made to it by any public body having an interest in the preservation of mass transit service to the public; and if bonds are ultimately issued for the purchase or other acquisition of such mass transit system, the aggregate amount of such subsidy payments may be included as a part of the cost of acquisition and made payable from the proceeds of such bonds. In no event, however, shall any action on the part of a board of an Authority in this connection create an indebtedness of the Authority beyond its available resources or such appropriations or the proceeds of such bonds, if and when bonds are issued.

Section 10. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

(1) No Transit Authority established or created under and pursuant to this Act shall be vested with any power to levy taxes of any nature or in any amount.

(2) The governing body of any public body participating in the creation and establishment of an Authority, or in the subsequent enlargement thereof, may, in the proceedings or joint proceedings, or by subsequent action, appropriate and pay over to an Authority from its general funds or from other resources not required by law to be appropriated for other purposes, any sum or sums of money, or any property which such public body shall determine to be necessary or advisable in furtherance of the public purposes of the Authority as set forth in this Act. An Authority may receive monies or property from any such source, and may use the same in furtherance of its proper purposes; but an Authority shall not pledge anticipated appropriations from any such source for any period beyond the period for which any such appropriations shall be made, except to the extent of committing that any such appropriation, when and if actually received by the Authority, without commitment

as to the possible amount thereof, will be applied by the Authority in certain specified ways.

(3) An Authority may accept gifts, grants, or loans of money or other property from the United States, the state or any person or entity for such purposes, may enter into any agreement required in connection therewith, may comply with any federal or state laws or regulations applicable thereto, and may hold, use, and dispose of such money or property in accordance with the terms of the gift, grant, loan, or agreement relating thereto.

Section 11. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

An Authority may operate any mass transit system which it establishes or acquires; or instead of operating the same in its own name, an Authority may enter into one or more management contracts for operating the same or any part thereof, under such terms and conditions as it may determine to be proper and desirable; provided, however, any such management contract shall retain in the Authority the power to establish, and to adjust from time to time, rates and charges to be exacted from the public for use of the services and facilities referred to therein, and the power to issue revenue bonds, mortgage bonds, or other obligations of the Authority payable from the income and revenues thereof.

Section 12. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

An Authority shall be responsible for over-all planning of mass transit in its transit area. An Authority must consult, cooperate and cordinate with any other state, local or federal planning agency or department, having responsibilities and/or authority in the same transit area according to federal and state laws. The ultimate goal of such planning shall be improvement of mass transit service. In carrying out its purposes, the Authority shall consider its highway, road and street systems on federal, state and local levels.

Section 13. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

For the purposes of acquiring or otherwise establishing one or more transit systems, or parts thereof, or for the purpose of adding to extending or improving one or more mass transportation systems owned or to be acquired or established, or for any combination of such purposes, an Authority may resort to financing according to any of the following financing methods, or any combination thereof, to the extent not inconsistent, one with another:

(1) Upon determination of its financing needs, an Authority, by resolution of its board, may request the public body responsible for its creation and establishment, or any one or more of such public bodies if there be more than one, (a) to appropriate and pay over to the Authority all or any part of the amount determined to be necessary, or (b) to provide the amount so determined to be necessary, or any part thereof, from the proceeds of general obligation bonds of such public body or public bodies, in which event the governing body or governing bodies of such public body or public bodies may, in its or their discretion, take such action as may be required by the Constitution and applicable statutes of the Commonwealth to submit to the voters thereof, at one or more elections to be held for such purpose, a proposal or proposals that the issuance of such general obligation bonds be approved and authorized, and if so approved and authorized, such general obligation bonds may be issued and the proceeds thereof may be appropriated to the Authority in the manner requested;

(2) An Authority may issue revenue bonds in its own name, payable solely from its income and revenues, and not constituting or purporting to constitute an indebtedness of the Authority or of any other public body within the meaning of debt-limiting provisions of the Constitution and applicable statutes of the Commonwealth, in the manner and in accordance with the procedures set forth in KRS 58.010 to 58.170, inclusive, and KRS 61.390, subject to any interest rate limitations which may be applicable thereto as provided by law;

(3) An Authority may issue its mortgage bonds, as authorized by KRS 58.170 and may make provision for obtaining revenues for the payment of the principal of and interest thereon, and for the payment of costs of operating and maintenance, and

for the accumulation of reserves for renewals, replacements, extensions and improvements, and for debt service reserves, by leasing any mass transportation system owned by the Authority, or to be acquired or established by the Authority (or, if there be more than one mass transportation system, by leasing the same individually or in any combination) to one or more public bodies, whether or not such public bodies, or any of them, shall have participated in the creation and establishment of the Authority. Any such lease shall be a written instrument, executed by the Authority as lessor, and by one or more public bodies, as a lessee or lessees, for a period of one year (which may be from the date of the mortgage bonds, or from the date of acquisition or other establishment of the mass transit system or systems referred to therein), with exclusive options to the lessee or lessees to renew the same thereafter, from year to year, for one year at a time, upon such rentals and other terms and provisions as will provide to the Authority, in the event such lease is renewed by the lessee or lessees from time to time in accordance with such options, annual sums sufficient to provide for meeting the purposes of this subsection;

(4) General obligation bonds issued for the benefit of an Authority, or revenue bonds or mortgage bonds issued by an Authority may, in the discretion of the parties involved in the issuance thereof, be refinanced, whether at maturity or upon prior redemption in accordance with the terms thereof, by the issuance of bonds according to any of the financing plans herein authorized.

Section 14. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Bonds issued by an Authority, or by public bodies for the benefit of an Authority, under the provisions of this Act, are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, credit unions, building and loan associations, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any

state or municipal officer of any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations is now or may hereafter be authorized by law.

Section 15. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Revenue bonds and mortgage bonds of an Authority, together with interest thereon, shall be exempt from ad valorem and income taxation by the Commonwealth and all of its political subdivisions. The properties, monies and other assets of an Authority, and all revenues or other income of an Authority, shall be exempt from all taxation, licenses, fees, or charges of any kind imposed by the state or by any county, municipality, political subdivision, taxing district, or other public agency or body of the state.

Section 16. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Any department or agency of the United States or state government or any county, municipality, or other public agency may sell, lease, grant, transfer, or convey to an Authority, with or without consideration, any facilities or any part or parts thereof or any real or personal property or interest therein which may be useful to the Authority for any authorized purpose. In any case where the construction or installation of any such facilities has not been completed, the public agency concerned may also transfer, sell, assign, and set over to the Authority, with or without consideration, any existing contract for the construction or installation of the facilities.

Section 17. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

An Authority created and established under this Act, together with its ownership, financing, operation, rates and charges for use of its services and facilities, rules and regulations, routes, schedules and quality of service within its transit area shall be exempt from all jurisdiction of the Department of Motor Transportation of the Commonwealth, provided, however, that no new service may be instituted in competition with an existing certificated bus company without an application to and a grant of

authority from the Department of Motor Transportation as provided by KRS Chapter 281.

(2) No transit authority may engage in any charter bus service beyond the territorial limits of its transit area.

Section 18. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

An Authority shall provide for insurance of its properties, and for workmen's compensation, and for public liability or any other risk or hazard arising from its activities, and may provide for the insuring of its officers or employees against any such risk or hazard, and the expense of obtaining such insurance, and of paying the premiums therefor from time to time, shall be borne by the Authority and chargeable as an operating expense of the Authority. In the event it shall prove to be impossible to obtain any such insurance coverage from reliable and reputable insurance carriers at reasonable rates, the board of an Authority may provide for self insurance and may establish for that purpose such reserves as may be within its ability to pay.

Section 19. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Each Authority shall employ a state-licensed public accountant, or firm thereof, to make an annual audit of the Authority's financial accounts and affairs, and to make a report thereof, including comments of the auditor regarding whether or not the Authority is in compliance with statutory requirements and with lawful covenants and commitments made in its contract or bond proceedings. A copy of each audit report shall be filed and kept open for public inspection in the office of the secretary-treasurer of the Authority, and a copy shall be provided to the clerk, secretary or other appropriate office of record of each public body which may have participated in the creation and organization of the Authority, or in the subsequent expansion thereof.

Section 20. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

If an Authority acquires an existing transit system, the Authority shall assume and observe all existing labor contracts and pension obligations. All employees of such system who are neces-

sary for the operation thereof by the Authority shall be transferred to any appointed as employees of the Authority. Such employees shall be given seniority credit and sick leave, vacation, insurance, and pension credits in accordance with the records or labor agreements from the acquired transit system. The Authority shall assume the obligations of any transit system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement provisions for employees. The Authority and the employees, through their representatives for collective bargaining purposes, shall take whatever action may be necessary to have pension trust funds presently under the joint control of the acquired transportation system and the participating employees through their representatives transferred to the trust fund to be established, maintained and administered jointly by the Authority and the participating employees through their representatives. No employee of any acquired transportation system who is transferred to a position with the Authority shall by reason of such transfer be placed in any worse position with respect to workmen's compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance or any other benefits than he enjoyed as an employee of such acquired transportation system.

Section 21. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

Counties and cities of this state abutting upon the boundary line between this state and any other state are hereby authorized separately, jointly with each other, or jointly with any other county, municipality or political subdivision of any such abutting state to form a Transit Authority or to become a part of an existing Transit Authority as authorized by this Act, with the broad and specific powers granted hereunder; or under KRS Chapter 65; provided, however, that any contract, agreement or compact authorized to be made under this Section, shall be made with due regard to such federal or state constitutional requirements, as may prevail at the time of the making thereof.

Section 22. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

When an Authority has made a determination, as a matter of record, that it will authorize and issue in its own name revenue

bonds under authority of Section 13 (2) of this Act, or mortgage bonds under authority of Section 13 (3) of this Act, such authority may obtain interim construction or acquisition financing monies through the authorization and issuance of its "revenue bond anticipation notes," or its "mortgage bond anticipation notes," as the case may be, the same to be shown in the text thereof to be payable as to principal and interest solely from the proceeds of the authorized revenue bonds or mortgage bonds, as the case may be. Such notes shall mature not later than one year from the date of issuance thereof, as the Authority may determine, and shall be renewable at or prior to maturity according to the provisions of the Authority's proceedings incident to the issuance thereof. Such anticipation notes need not be offered at an advertised competitive public sale, but may be offered in the manner provided for in the case of similar notes of certain state agencies, according to KRS 56.513.

Section 23. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

A Transit Authority may conduct such surveys and studies, gather such information, and institute such programs and plans as may be reasonably necessary to carry out the purposes of this Act. If necessary, it may make application for subpoenas, or subpoenas duces tecum to any circuit court having proper venue for the production of any records, books or other documents of any privately owned mass transit system operating in whole, or substantially in part, within its transit area when required in the bona fide pursuit of its purposes as specified in this Act.

Section 24. A new section of Chapter 96 of the Kentucky Revised Statutes is created to read as follows:

The provisions of this Act are severable, and if any provision of this Act, or the application of any such provision under certain circumstances, shall be held to be invalid, the invalidity of such provision or provisions shall not affect any other provisions of this Act or the application thereof under different circumstances.

The Committee on Cities reported **SB 208, HB 321, HB 509, HB 611** with Committee Amendment attached thereto, **HB 612, HB 613, HB 614, HB 615, HB 616, HB 617** and **HB 618** with the

expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 208, AN ACT changing the classification of the City of Leitchfield in Grayson County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Leitchfield in Grayson County is such to justify its being classified as a city of the fourth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Leitchfield in Grayson County is transferred from the fifth to the fourth class of cities.

HB 321, AN ACT relating to aldermen in cities of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 83.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) Aldermen shall be elected at the regular November election in each odd year. They shall take office on the first day of December next succeeding their election, and shall hold office for a term of two years.

(2) Each alderman shall be at least twenty-five years of age, and shall be a housekeeper or owner of real estate in the city, and a resident and qualified voter in his ward. He shall not be interested in any contract with the city, or in any application therefor, or be a candidate for or hold any office or employment for pay in any corporation that holds or is an applicant for a contract with the city. Stockholders in corporations may be eligible, but shall not vote on or interfere with any matter affecting a contract between the corporation and the city, or the rights or duties of the corporation under the contract. No person, while

in arrears to the city for money collected, shall be a member of the board of aldermen.

(3) Before any member takes his seat in the board of aldermen he shall take an oath that he has the qualifications and is free from the disqualifications prescribed in this section.

(4) No member of the board of aldermen shall be questioned elsewhere for anything said in debate. No member shall be eligible during his term to any office by appointment or by election of the board of aldermen.

(5) Each alderman shall be paid a salary *to be fixed by ordinance* [of two hundred dollars per month], but shall not receive any additional compensation for attending special or called meetings.

(6) Vacancies in the board of aldermen shall be filled by it.

HB 509, AN ACT realting to collective bargaining for fire fighters.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be known as the Fire Fighters Collective Bargaining Act, and shall be Chapter 345B of the Kentucky Revised Statutes.

Section 2. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

(1) Whereas, the denial by some public employers of the right of fire fighters to organize and the refusal by such employers to accept the procedure of collective bargaining leads to various forms of strife and unrest, with the consequent effect of obstructing public business. Unresolved disputes in the public services are injurious to the public, the governmental agencies involved, and the fire fighters.

(2) Whereas, experience has proved that protection by law of the right of public employes to organize and bargain collectively safeguards the public business from injury, impairment, or

interruptions, and promotes public business by removing certain recognized sources of strife and unrest, by encouraging practices fundamental to the friendly adjustment of disputes arising out of differences as to wages, hours, or other working conditions, and by creating equality of bargaining power between employers and employes.

(3) Whereas, it is hereby declared to be the policy of the State of Kentucky to eliminate the causes of certain substantial obstructions to public business and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by fire fighters of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.

Section 3. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

When used in this Act:

(1) "Public employer" means the State of Kentucky or any political subdivision of the state, including, without limitation, any city or county;

(2) "Fire fighter" means any employe of the public employer engaged in serving the public by providing fire protection; including those covered by KRS Chapter 95;

(3) "Labor organization" means any chartered labor organization of any kind in which fire fighters participate and which exists for the primary purpose of dealing with employers concerning grievances, labor disputes, wages, rate of pay, hours of employment or conditions of employment;

(4) "Exclusive representative" means the labor organization which has been designated by the State Labor Relations Board as the representative of the majority of fire fighters in appropriate units or has been so recognized by the public employer;

(5) "Board" means the State Labor Relations Board;

(6) "Person" includes one or more individuals, labor organizations, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers;

(7) "Commissioner" means the Commissioner of Labor of the Commonwealth of Kentucky.

Section 4. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

(1) Fire fighters of the state and of all other political subdivisions, agencies and entities shall have, and shall be protected in the exercise of, the right of self-organization, to form, join or assist any labor organization, to bargain collectively through representatives of their own choosing on questions of wages, hours and other conditions of employment and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, free from interference, restraint or coercion.

(2) Labor organizations designated by the State Board of Labor Relations as the representative of the majority of fire fighters in an appropriate unit or recognized by a public employer as the representative of the majority of employes in an appropriate unit shall be the exclusive representative for the employes of such unit for the purposes of collective bargaining with respect to rates of pay, wages, hours and other conditions of employment.

(3) Labor organizations recognized by a public employer as the exclusive representative or so designated in accordance with the provisions of this Act shall be responsible for representing the interests of all fire fighters in the unit without discrimination.

Section 5. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

The public employer and such labor organization as has been designated as exclusive representative of fire fighters in an appropriate unit, through appropriate officials or their representatives, shall have the authority and the duty to bargain collectively. This duty extends to the obligation to bargain collectively as set forth in subsection (3) of Section 6 of this Act.

Section 6. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

(1) Public employers, their representatives or their agents are prohibited from:

(a) Interfering, restraining or coercing fire fighters in the exercise of the rights guaranteed in Section 4 of this Act;

(b) Dominating or interfering with the formation, existence or administration of any labor organization;

(c) Discriminating in regard to hiring or tenure of employment of any term or condition of employment to encourage or discourage membership in any labor organization; provided, that nothing in this Act, or in any other statute of this state, shall preclude a public employer from making an agreement with a labor organization to require as a condition of employment membership therein on or after the thirtieth day following the beginning of such employment or on the effective date of such agreement, whichever is the later;

(d) Discharging or otherwise discriminating against an employe because he has signed or filed any affidavit, petition or complaint or given any information or testimony under this Act;

(e) Refusing to bargain collectively in good faith with a labor organization which is the exclusive representative of employes in an appropriate unit, including but not limited to the discussing of grievances with the exclusive representative.

(2) Labor organizations or their agents are prohibited from:

(a) Restraining or coercing:

1. Fire fighters in the exercise of the right guaranteed in subsection (1) of Section 4 of this Act, and

2. A public employer in the selection of his representative for the purposes of collective bargaining or the adjustment of grievances;

(b) Refusing to bargain collectively in good faith with a public employer, if they have been designated in accordance with the provisions of this Act as the exclusive representative of fire fighters in an appropriate unit.

(3) For the purposes of this Act, to bargain collectively is to carry out in good faith the mutual obligation of the parties, or their representatives; to meet together at reasonable times,

including meetings in advance of the budget-making process; to negotiate in good faith with respect to wages, hours and other conditions of employment; to negotiate an agreement; to negotiate any question arising under any agreement; and to execute a written contract incorporating any agreement reached, if requested by either party. The obligation shall not be interpreted to compel either party to agree to a proposal, or require either party to make a concession.

Section 7. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

(1) Whenever in accordance with such regulations and as may be prescribed by the State Labor Relations Board a petition has been filed:

(a) By a fire fighter or group of fire fighters or any labor organization acting in their behalf alleging that 30 percent of the employes:

1. Wish to be represented for collective bargaining by a labor organization as exclusive representative, or

2. Assert that the labor organization which has been certified or is currently being recognized by the public employer as bargaining representative is no longer the representatives of the majority of employes in the unit; or

(b) By the public employer alleging that one or more labor organizations has presented to it a claim to be recognized as a representative of the majority of fire fighters in an appropriate unit; The board shall investigate such petition, and if it has reasonable cause to believe that a question of representation exists, shall provide for an appropriate hearing upon due notice. If the board finds that there is a question of representation, it shall direct an election by secret ballot to determine whether or by which labor organization the fire fighters desire to be represented and shall certify the results thereof. Nothing in this section shall be construed to prohibit the waiving of hearings by stipulation for the purpose of a consent election in conformity with the rules and regulations of the board or an election in a unit agreed upon by the parties.

(2) The board shall decide in each case, in order to assure fire fighters the fullest freedom in exercising the rights guaran-

teed by this Act, the unit appropriate for the purposes of collective bargaining, based on such factors as community of interest, wages, hours and other working conditions of the fire fighters involved, the history of collective bargaining, and the desires of the fire fighters.

(3) An election shall not be directed in any bargaining unit or in any subdivision thereof within which in the preceding twelve-month period a valid election has been held. The board shall determine who is eligible to vote in the election and shall establish rules governing the election. In any election where none of the choices on the ballot receives a majority, a runoff shall be conducted, the ballot providing for selection between the two choices receiving the largest and the second largest number of valid votes cast in the election. A labor organization which receives the majority of the votes cast in an election shall be certified by the board as exclusive representative of all the fire fighters in the unit.

(4) Nothing in this or any other Act shall be construed to prohibit recognition of a labor organization as the exclusive representative by a public agency by mutual consent.

(5) No election shall be directed by the board in any bargaining unit where there is in force and effect a valid collective bargaining agreement. Provided, however, no collective bargaining agreement shall bar an election upon the petition of persons not parties thereto where more than three years have elapsed since the execution of the agreement or the last timely renewal, whichever was later.

Section 8. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

Violations of the provisions of Section 6 of this Act shall be deemed to be unfair labor practices remediable by the board in the following manner.

(1) Whenever it is charged by a public employer or a labor organization that any person has engaged in or is engaging in any such unfair labor practice, the board, or any agent designated by the board for such purposes, shall issue and cause to be served upon the person a copy of the charges and a notice of hearing before the board or a member thereof, or before a

designated agent, at a place therein fixed, not less than five days after serving of the copy of the charges by the board. Any charge may be amended by the charging party, at any time prior to the issuance of an order based thereon, provided that the charged party is not unfairly prejudiced thereby. The person upon whom the charge is served may file an answer to the charge. The charging party and the person charged shall appear in person or otherwise and give testimony at the place and time fixed in the notice of hearing. In the discretion of the member or agent conducting the hearing or the board, any other person may be allowed to intervene in the proceeding and to present testimony. In any hearing the board shall not be bound by the rules of evidence prevailing in the courts.

(2) The testimony taken by the member, agent or the board shall be reduced to writing and filed with the board. Thereafter the board upon notice may take further testimony or hear argument. If upon the preponderance of the testimony taken the board is of the opinion that any person named in the charge has engaged in or is engaging in an unfair labor practice, then it shall state its findings of fact and shall issue and cause to be served on the person an order requiring him to cease and desist from the unfair labor practice, and to take such affirmative action including reinstatement of fire fighters with or without back pay, as will effectuate the policies of this Act. The order may further require the person to make reports from time to time showing the extent to which he has complied with the order. If upon the preponderance of the testimony taken the board is not of the opinion that the person named in the charge has engaged in or is engaging in the unfair labor practice, then the board shall state its finding of fact and shall issue an order dismissing the complaint. No order shall issue based upon any unfair labor practice occurring more than six months prior to the filing of the charge with the board, unless the person aggrieved thereby was prevented from filing the charge by reason of service in the armed forces, in which event the six-month period shall be computed from the day of his discharge. No order of the board shall require the reinstatement of any individual as a fire fighter who has been suspended or discharged, or the payment to him of any back pay, if the individual was suspended or discharged for cause.

(3) Until the record in a case has been filed in court, the board at any time, upon reasonable notice and in such manner as it deems proper, may modify or set aside, in whole or in part, any finding or order made or issued by it.

(4) The board or the charging party may petition for the enforcement of the order and for appropriate temporary relief or restraining order, and shall file in the circuit court for the county in which the violation occurred, the record in the proceedings. Upon the filing of the petition, the circuit court shall cause notice thereof to be served upon the charged party, and thereupon shall have jurisdiction of the proceeding and shall grant such temporary or permanent relief or restraining order as it deems just and proper, enforcing, modifying, enforcing as so modified, or setting aside in whole or in part the order of the board. No objection that has not been urged before the board, its member or agent, shall be considered by the court, unless the failure or neglect to urge the objection is excused because of extraordinary circumstances. The findings of the board with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive. If either party applies to the circuit court for leave to present additional evidence and shows to the satisfaction of the circuit court that the additional evidence is material and that there were reasonable grounds for the failure to present it in the hearing before the board, its member or agent, the court may order the additional evidence to be taken before the board, its member or agent, and to be made a part of the record. The board may modify its findings as to the facts, or make new findings, by reason of additional evidence so taken and filed, and it shall file the modifying or new findings, which findings with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive, and shall file its recommendations, if any, for the modification or setting aside of its original order. Upon the filing of the record with it the jurisdiction of the court shall be exclusive and its judgment and decree shall be final, except that the same shall be subject to review by the Court of Appeals in accordance with the general court rules.

(5) Any person aggrieved by a final order of the board granting or denying in whole or in part the relief sought may

obtain a review of such order in the court by filing in the circuit court a complaint praying that the order of the board be modified or set aside, with copy of the complaint filed on the board, and thereupon the aggrieved party shall file in the court the record in the proceeding, certified by the board. Upon the filing of the complaint, the court shall proceed in the same manner as under subsection (4), and shall grant to the board such temporary relief or restraining order as it deems just and proper, enforcing, modifying, enforcing as so modified, or setting aside in whole or in part the order of the board. The findings of the board with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive.

(6) The commencement of proceedings under subsections (4) and (5) shall not, unless specifically ordered by the court, operate as a stay of the board's order.

(7) Complaints filed under this Act shall be heard expeditiously by the court to which presented, and shall take precedence over all other civil matters except earlier matters of the same character.

Section 9. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

(1) If after a reasonable period, but in no event less than thirty days, of negotiations over the terms of a new collective bargaining agreement or modifications in an existing agreement the parties to the negotiations are deadlocked, either party or the parties jointly may petition the board, by registered mail, to initiate fact finding.

(2) Upon receipt of a petition to initiate fact finding, the commissioner shall cause an investigation to determine whether or not the parties are deadlocked in their negotiations. During the course of this investigation, the commissioner is empowered to utilize his offices in an effort to effectuate a settlement between the parties through mediation and conciliation.

(3) Upon completion of the commissioner's investigation, and if a settlement between the parties has still not been reached, the commissioner shall within five days appoint a qualified and disinterested person as the impartial chairman of a three-man

panel to function as the fact finders. In addition to the impartial chairman, the other two members of the panel shall be one member named by the labor organization and one by the employer, parties to the deadlocked negotiations.

(4) Upon consultation with the other members of the panel, the impartial chairman shall establish dates and places for public hearings. Whenever feasible, public hearings shall be held within the jurisdiction in which the employer is located. The panel may subpoena witnesses, and a written transcript of the hearings shall be made. Upon completion of the hearings the panel shall, by majority decision, make written findings of fact and recommendations for solution of the dispute. The panel shall cause all of its written findings, recommendations and opinions to be served on the employer and labor organization parties and same shall be released to the public.

(5) The commissioner may adopt, promulgate, amend and rescind such rules and regulations as he deems necessary and administratively feasible not inconsistent with the provisions of this Act to carry out his responsibilities over the fact-finding procedures set forth in this section. However, unless the parties agree to extend the time for the hearings, they must be completed with recommendations from the fact-finding panel, within 120 days from the date the petition to initiate the fact-finding procedure was received by the commissioner.

(6) If, after the expiration of the 120 days referred to in subsection (5), settlement has not been reached, the labor organization and the public employer must submit and be bound by the decision of an arbitration board composed of one person selected by each of the adverse parties and a chairman and third member acceptable to both the labor organization and the public employer.

Section 10. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

Except as hereinafter provided, when a labor organization has been designated in accordance with the provisions hereof as the exclusive representative of fire fighters in an appropriate unit, the chief executive officer of the state or political subdivision, whether elected or appointed, or his designated authorized

representative or authorized representatives, shall represent the public employer in collective bargaining with such employe organization.

Section 11. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

(1) Any agreement reached by the negotiators shall be reduced to writing and shall be executed by both parties.

(2) Nothwithstanding the provision of any general statute or special Act to the contrary, the budget-appropriating authority of the state or political subdivision shall appropriate whatever funds are required to comply with the collective bargaining agreement.

(3) An agreement between the public employer and a labor organization shall be valid and enforced under its terms when entered into in accordance with the provisions of this Act and signed by the chief executive officer of the state or political subdivision or his representative. No publication thereof shall be required to make it effective. The procedure for the making of an agreement between the state or a political subdivision and a labor organization provided by this Act shall be the exclusive method of making a valid agreement for fire fighters represented by a labor organization.

(4) Suits for violation of agreements between a public employer and a labor organization representing fire fighters may be brought by the parties to such agreement in the circuit court of the county of the employer or in case where the state is the employer, in the Franklin Circuit Court.

Section 12. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

Upon the written authorization of any fire fighters within a bargaining unit, the public employer shall deduct from the payroll of the public employe the monthly amount of dues as certified by the secretary of the exclusive bargaining representative and shall deliver the same to the treasurer of the exclusive bargaining representative.

Section 13. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby created and established a State Labor Relations Board to assist in resolving disputes between public employers and fire fighters or their labor organization which shall be composed of three members appointed by the Governor, one for a term of two years, one for a term of three years, and one for a term of four years. The Governor shall designate one member to serve as chairman of the board. Thereafter, upon the expiration of the term of any member, members shall be appointed for four-year terms by the Governor.

(2) Each member of the board shall have been an elector in this state for at least one year next preceding his appointment. Any member may be removed by the Governor for cause, shown in a public hearing after the accused has been given a copy of the charges made and has had an opportunity to answer such charges. The Governor shall fill any vacancy by appointment for the unexpired term. No member shall receive a salary but each member shall be paid $50 and expenses for each day during which he is engaged in the duties of the board. The board is authorized to hold hearings at any place in this state.

(3) The board shall appoint such employes as may be necessary to carry out the work of the board. All files, records and documents accumulated by the board shall be kept in offices provided by the board. All decisions shall be made by a majority of the board.

(4) To accomplish the objectives and to carry out the duties prescribed by this Act, the board may subpoena witnesses, issue subpoenas to require the production of books, papers, records and documents which may be needed as evidence in any manner under inquiry, and may administer oaths and affirmations.

(5) In cases of neglect or refusal to obey a subpoena issued to any person, the circuit court of the county in which the investigations or the public hearings are taking place, upon application by the board may issue an order requiring such person to appear before the board, any member or agent, to produce evidence or give testimony about the matter under in-

vestigation. A failure to obey such order may be punished by the court as a contempt.

(6) Any subpoena, notice of hearing or other process or notice of the board issued under the provisions of this Act may be served personally, by registered mail or by leaving a copy at the principal office or place of residence of the respondent required to be served. A return, made and verified by the individual making such service and setting forth the manner of such service is proof of service and a returned post office receipt, when registered mail is used, is proof of service. All process of any court to which application may be made under the provisions of this Act may be served in the county wherein the persons required to be served reside or may be found.

(7) The board shall adopt, promulgate, amend or rescind such rules and regulations as it deems necessary and administratively feasible to carry out the provisions of this Act. Public hearings shall be held by the board on any proposed rule or regulation of general applicability designed to implement, interpret or prescribe policy, procedure or practice requirements under the provisions of this Act and on any proposed change in an existing rule or regulation. Reasonable notice shall be given prior to such hearings, which shall include the time, place and nature of such hearing and also the terms or substance of the proposed rule or regulation or the changes of such rule or regulation.

Section 14. A new section of Chapter 345B of the Kentucky Revised Statutes is created to read as follows:

(1) If after a reasonable period of negotiation over the terms of an agreement, or upon expiration of an existing collective bargaining agreement, a dispute concerning the collective bargaining agreement exists between the public employer and the labor organization, the parties may by mutual consent initiate fact findings, or either party may petition the State Labor Relations Board to initiate fact-finding.

(2) Within three days of receipt of such petition the State Labor Relations Board shall submit to the parties a panel of three qualified disinterested persons, from which lists the parties shall select one person to serve as the fact-finder and shall notify the board of their choice. If the parties fail to select a

fact-finder within five calendar days of receipt of the list, the board shall on the following day appoint the person who shall serve as fact-finder.

(3) The person selected or appointed as fact-finder shall establish immediately dates and place of hearings. Upon request, the board shall issue subpoenas for hearings conducted by the fact-finder. The fact-finder may administer oaths. Upon completion of the hearings but no later than twenty days from the day of appointment, the fact-finder shall make written findings of facts and recommendations for resolution of the dispute and shall serve such findings on the public employer and the labor organization involved. The parties shall continue the status quo without resort to strike or lockout for a period of twenty-five days from the date of appointment or selection of the fact-finder.

(4) The public employer and the labor organization which is certified as exclusive representative or which is recognized as exclusive representative in any particular bargaining unit by the state or political subdivision shall be the only proper parties to fact-finding proceedings.

(5) The cost of fact-finding proceedings shall be borne by the State Labor Relations Board.

(6) Nothing in this section shall be construed to prohibit the fact-finder from endeavoring to mediate the dispute in which he has been selected or appointed as fact-finder.

HB 611, AN ACT relating to neighborhood parks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 148 of the Kentucky Revised Statutes is created to read as follows:

For the purposes of this Act:

(1) Local governmental units shall mean county governments and governments of cities of any class.

(2) Neighborhood park shall mean an area, located within a community, which is devoted to playground and recreational pursuits.

Section 2. A new section of Chapter 148 of the Kentucky Revised Statutes is created to read as follows:

The Department of Parks shall, when the commissioner determines that a proposed project would serve the public interest, use its funds to aid local governmental units in their acquisition and establishment of local neighborhood park facilities, provided that the local governmental unit must provide matching funds for the project. The Department of Parks may grant an amount up to $25,000 for any one project, which amount shall not exceed fifty percent of the cost of the entire project. The commissioner may prescribe standards for determining the amounts to be granted and such regulations as may be necessary to implement the provisions of this Act, and may appoint a district supervisor to inspect parks and insure compliance with departmental standards.

Section 3. A new section of Chapter 148 of the Kentucky Revised Statutes is created to read as follows:

The local governmental unit may acquire real property for use as a neighborhood park by purchase, lease, condemnation or otherwise. Title to neighborhood parks acquired by the use of funds authorized by this section shall vest in the local governmental unit which proposed the project and provided the matching funds.

Section 4. A new section of Chapter 148 of the Kentucky Revised Statutes is created to read as follows:

Following the establishment of a neighborhood park, the Department of Parks may, upon request of the local governmental unit and upon a determination by the commissioner that aid is necessary, use its funds to provide continuing aid for maintenance or rehabilitation of the neighborhood park. The commissioner may prescribe standards for determining whether continuing aid is necessary and the amount, which shall not exceed for one year one-twentieth of the original cost of the park.

The Committee Amendment to **HB 611** is as follows:

Amend printed copy of House Bill 611 on page 2, lines 6, 7 and 8, by striking the sentence beginning with "The" on line 6 and ending with "project." on line 8, and substituting therefor

the following: "For any one project, the Department of Parks may grant an amount not to exceed 50 percent of the cost of the entire project."

HB 612, AN ACT relating to rodent control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 212.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) The State Board of Health and the local boards of health may examine into all nuisances, sources of filth and causes of sickness that may, in their opinion, be injurious to the health of the inhabitants in any county in this state, or in any vessel within any harbor or port in any county in this state. Whenever any such nuisance, source of filth or cause of sickness is found to exist on any private property, or in any vessel within any port or harbor in any county in this state, or upon any watercourse in this state, the State Board of Health or the local board of health may order, in writing, the owner or occupant thereof, at his own expense, to remove the same within twenty-four hours, or within such reasonable time thereafter as the board may order.

(2) If drinking water used by school children is found to be dangerous to their health, the local board of health or State Board of Health may order that a supply of pure water be furnished at the expense of the county or city board of education.

(3) If in the opinion of the local board of health or State Board of Health a school building is constructed in violation of law and is found to be unsanitary or unsafe for the housing of children, the local board of health or State Board of Health may institute an action in the circuit court of the county where the building is situated, and the court, after due hearing and verifying the facts, may order a safe and sanitary school building to be erected within a reasonable time by the county or city board of education in accordance with the laws of the state governing the erection of schoolhouses and the control of disease, and the rules and regulations of the State Board of Health.

(4) Any local board of health shall, for the purpose of controlling and eradicating rats and other unsanitary nuisances,

require the owner or possessor of any building designed for human habitation and containing two or more apartment units, to provide, where a specific area has been designated for the depositing of refuse on the premises, waste receptacles approved by the board. The board may further require that the design, construction and maintenance of the area in which the waste receptacles are kept meet reasonable standards set by the board.

HB 613, AN ACT relating to the landlord–tenant relationship.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 383 of the Kentucky Revised Statutes is created to read as follows:

(1) The provisions of any other laws to the contrary notwithstanding, or of any agreement, whether written or oral, whenever the department of building and housing inspection of any city of the first or second class certifies a dwelling within such city as unfit for human habitation, the duty of any tenant of such dwelling to pay, and the right of the landlord to collect, rent shall be suspended without affecting any other terms or conditions of the landlord-tenant relationship, until the dwelling is certified by the department of building and housing inspection as fit for human habitation or until the tenancy is terminated by any reason other than nonpayment of rent.

(2) During any period when the duty to pay rent is suspended, and the tenant continues to occupy the dwelling, the rent withheld shall be deposited by the tenant in an escrow account and shall be paid to the landlord when the dwelling is certified as fit for human habitation at any time within six months from the date on which the dwelling was certified as unfit for human habitation.

(3) If, at the end of six months after the certification of a dwelling as unfit for human habitation, such dwelling has not been certified as fit for human habitation, any moneys deposited in escrow on account of continued occupancy shall be payable to the depositor, except that any funds deposited in escrow may be used for the purpose of making such dwelling fit for human

habitation and for payment of utility services for which the landlord is obligated but which he refuses or is unable to pay.

(4) The governing authority of any city affected by the provisions of this Act is hereby authorized to adopt an ordinance to carry out the provisions of this Act and promulgate rules and regulations in connection therewith provided such an ordinance and rules and regulations are not in conflict with the provisions of this Act.

HB 614, AN ACT relating to city housing commissions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 80.030 of the Kentucky Revised Statutes is amended to read as follows:

A city housing commission in cities of the first five classes shall consist of the mayor, ex officio, and *five* [four] persons. *Four persons shall be* appointed by *the mayor* [him] with the approval of the city legislative body. *The fifth person sitting on the commission shall be a tenant of the housing project, elected by the adult residents of said housing project.* A city housing commission in cities of the sixth class shall consist of the chairman of the board of trustees, ex officio, and four persons appointed by him with the approval of the board of trustees.

Section 2. Section 80.040 of the Kentucky Revised Statutes is amended to read as follows:

Each person *serving on the* [appointed to a] city housing commission shall be at least twenty-five years of age and a bona fide resident of the city for which he *will serve* [was appointed] for at least one year preceding the *service on the commission* [appointment]. No officer or employe of the city, whether holding a paid or unpaid office, is eligible to hold *a position* [an appointment] on the housing commission. *Of the four commissioners appointed by the mayor,* [N] *no* more than two appointees on any housing commission shall be affiliated with the same political party. Appointees to a city housing commission shall be originally appointed for terms of four years. Upon the expiration of the term of the first appointees, their successors

shall be appointed for terms of one, two, three and four years, respectively, and upon the expiration of the term of each of the second group of appointees his successor shall be appointed for a term of four years. Vacancies shall be filed for unexpired terms in the same manner as the original appointment. *The tenant representative on the city housing commission shall be elected for a term of two years. Vacancies occuring in unexpired terms shall be filled by a special election.*

HB 615, AN ACT relating to sanitation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 381 is created to read as follows:

(1) The maintenance of an outdoor toilet not connected to a septic tank or sewer system, hereinafter called an open toilet, within the boundaries of a city of the first or second class is hereby declared to be a public nuisance.

(2) Any open toilet which presently exists shall be removed by the owner of the property upon which such toilet is located within 2 years from the effective date of this Act. Thereafter, when an open toilet is discovered, the director of sanitation or other responsible officer designated by the city legislative body shall give written notice to the property owner to remove the open toilet and fill the toilet pit within 10 days after the date of the notice. The notice shall be mailed to the last known address of the property owner, as it appears on the current tax assessment roll. Upon failure of the owner of the property to comply with the terms of the notice, the director of sanitation or other responsible officer designated by the city legislative body is authorized to send employes upon the property to remove the open toilet and fill the toilet pit.

(3) The city shall have a lien against the property for the reasonable cost of labor and materials used in removing the open toilet and filling the toilet pit. The affidavit of the director of sanitation or other responsible officer designated by the city shall constitute prima facie evidence of the amount of the lien and the regularity of the proceedings pursuant to this Act, and shall

be recorded in the office of the county clerk in the county where the city is located. The lien shall be notice to all persons from the time of its recording and shall bear interest at 6 percent per annum thereafter until paid.

(4) Any person who fails to comply with the provisions of this Act shall be guilty of a misdemeanor and shall be fined $25 for each offense. Each day that the violation continues shall constitute a separate offense.

HB 616, AN ACT relating to civic and community auditoriums.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

Recognizing the need in Kentucky communities for a building suitable for public meetings and assemblages, and for educational and cultural presentations of various types, and further recognizing that there already exist many buildings which are privately owned that are eminently suitable for such purposes, and further recognizing that the cost of original construction of such structures at the present time is prohibitive, the General Assembly declares that providing financing for the purchase of existing buildings by cities and counties for use as civic and community auditoriums is a public purpose, and within the proper province of the Commonwealth.

Section 2. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

There is established the Civic and Community Auditorium Fund, hereafter referred to as "the fund." The purpose of the fund shall be to aid cities and counties, acting separately or jointly, in the acquisition of property for use as civic and community auditoriums.

Section 3. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

(1) There is established the Civic and Community Auditorium Loan Fund Board, hereafter referred to as "the board." It

shall consist of the Commissioner of Commerce, the Commissioner of Finance, the State Treasurer, the Superintendent of Public Instruction and the Chairman of the Kentucky Arts Commission.

(2) The board may lend money to a city or a county or to a city and county jointly for the purchase of a building suitable for use as a civic and community auditorium. The board may promulgate regulations governing the loans, including:

(a) The rate of interest to be charged;

(b) Standards for determining the feasibility of use and the soundness of the building proposed for purchase;

(c) The form and contents of loan applications;

(d) Such other regulations as are necessary to carry out the provisions of this Act.

(3) The board shall approve or disapprove the application according to the regulations promulgated by it, such regulations being based upon the expressed purposes in this Act and designed to reasonably protect any loans which may be made.

Section 4. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

The local governmental unit or units desiring a loan shall appoint a local council of four voting residents of the unit or units and the Governor shall appoint three voting residents of the unit or units to the local council. When more than one local governmental unit is included in the local council, each shall have equal representation among the members. If equal representation is mathematically impossible, representation shall be determined by lot. No more than four of the seven members shall be of the same political party. Appointments shall be for a period of two years and members shall serve for no more than three consecutive terms. Members shall not receive compensation for services but may be reimbursed for actual and necessary expenses incurred in the performance of their duties under this Act. The local council may enter into contracts germane to the scope of its duties and in accordance with the provisions of this Act.

Section 5. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

(1) The local council shall file application for loan in the form prescribed by the board.

(2) No local council may make more than one application per year.

Section 6. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

(1) The fund established by Section 2 of this Act is a revolving fund, which shall be administered by the board for the purposes set forth in this Act. Upon approval of a loan application from a local council by the board, the board shall transfer forthwith the sum approved to the local council. No loans shall be made from this fund to any local council unless the council offers satisfactory proof that the amount of the loan is to be matched by funds from the Federal Government or a private foundation.

(2) The board and the fund are recognized as agencies of the Commonwealth that may receive appropriations of state money, including money that may be raised by issuance of bonds. Money appropriated to the fund for the purposes of this Act is declared to be appropriated for a public purpose.

(3) (a) The loan agreement between the board and the local council shall provide for a twenty-year repayment period, and shall give the board a mortgage on the theater. The agreement shall contain the promise of any unit of local government included in a local council to make periodic payments on the loan in the event that theater operating receipts are insufficient to meet the payments called for by the agreement. The agreement shall provide that after repayment of the loan, the local council shall continue to contribute to the fund a portion of its net operating profit.

(b) The board may permit periodic payments to be missed without foreclosing the agreement, if in the judgment of the board its security interest is not thereby impaired. The board and the local council may refinance the loan by agreements subsequent to the first, but in no case shall the total repayment period extend beyond twenty years.

Section 7. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

When a loan is approved, the power to administer the property acquired shall be lodged in the local council, which shall be responsible for the operation of the building. The Kentucky Arts Commission shall appoint a regional director to assist the local councils in carrying out these duties. He shall advise and consult with the local council on the content and scheduling of programs. He shall examine annually, or more frequently, the financial records of the local council and investigate the manner in which the building is used and report his findings to the Kentucky Arts Commission. The local council shall submit an annual audit of its entire operation to the Kentucky Arts Commission.

Section 8. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

The local council may permit the use of the auditorium for conventions, theatrical and musical performances, lectures, public entertainments and other like meetings and assemblages and may collect reasonable charges therefor, except when such use is for purposes of such a distinct civic character or purely public benefit as shall, in the discretion of the local council, render any charge for such use undesirable. All revenues thus derived shall be held and used by the local council to the extent necessary to maintain the auditorium, and any surplus revenues shall be used to retire the purchase loan.

Section 9. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

The local governmental unit or units which formed the local council shall provide funds for maintaining the auditorium and for carrying on the work of the council by annually appropriating from general funds such sums as may be reasonably necessary for the purpose, taking into consideration funds received by the council from gifts or from earnings of the auditorium.

Section 10. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

(1) Subject to the provisions of Section 50 of the Constitution of the Commonwealth as hereinafter provided, a direct in-

debtedness of the Commonwealth in the principal amount of $5,000,000, in addition to any and all other bonds and indebtedness of the Commonwealth, shall be incurred by the Commonwealth through issuance of its general obligation bonds for the bond payment of which, when due, both principal and interest, the full faith, credit, resources, and unlimited taxing powers of the Commonwealth shall be irrevocably pledged; and the proceeds thereof not to exceed $5,000,000, are appropriated for the purposes of this Act. As provided in Section 50 of the Constitution of the Commonwealth, no part of said indebtedness shall be incurred unless this section be approved by a majority vote upon submission to the voters at an election, as hereinafter provided. Such submission shall be at the general election which is to be held on November 2, 1971.

(2) In order to provide for the payment of the stipulated interest, and to discharge within thirty years the indebtedness to be evidenced by the bonds, there shall be levied and collected annually so long as any of such bonds are outstanding and unpaid taxes of the Commonwealth upon all real property, tangible personal property, and intangible personal property from time to time subject to taxation by the Commonwealth, at rates not less than the rates now imposed by law or rates so adjusted as not in any event to jeopardize the prompt payment of principal of and interest on said bonds when due and payable. Proceeds of such taxes, to the extent necessary for payment of the principal of and interest on the bonds, as and when such principal and interest, respectively, shall become due and payable, are hereby appropriated for that purpose; and such amount thereof shall in each year be set aside in the State Treasury in the "Civic and Community Auditorium Sinking Fund," hereby created, and shall be held therein and disbursed and used upon order of the State Treasurer solely for the purpose of paying the principal of and interest on said identified bonds when and where due and payable, until all of said bonds, or such lesser amount thereof as may have been issued, within thirty years from date of first issue shall have been paid in full. In each year, after setting aside such prescribed amount into the sinking fund, the remainder of the proceeds of said identified taxes shall be available for any proper general fund purposes of the Commonwealth without restriction.

(3) The form of the question which shall be caused to appear on the ballots at the occasion of the general election to be held November 2, 1971, shall be as follows: "Are you in favor of preserving and promoting the culture of Kentucky by the issuance of $5,000,000 in general obligation bonds, the proceeds of which shall be used to assist localities in the acquisition of civic and community auditoriums?"

(4) The question shall be handled in all other ways as proposed Constitutional amendments are handled under KRS 118.170 and 118.430.

(5) The bonds and receipt of interest thereon shall be exempt from all taxation by the Commonwealth and its political subdivisions, municipalities, and taxing districts.

HB 617, AN ACT relating to ad valorem tax on real property.

WHEREAS, there exists in the Commonwealth of Kentucky a critical shortage of rental housing; and

WHEREAS, the cost of constructing rental housing is so greatly out of proportion to the probable rate of return thereon that investors are reluctant to begin construction; and

WHEREAS, a limited moratorium on the ad valorem tax levied against new construction of capital improvements would provide the necessary stimulus to create growth in the rental housing construction industry;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 132.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) The property subject to taxation, unless exempted by the Constitution, shall be as follows:

(a) All real and personal property within this state, including intangible personal property of nonresidents and corporations not organized under the laws of this state that has acquired a business situs within this state, except that twenty-five domestic

fowls to each family shall be exempt from taxation for any purpose.

(b) All intangible personal property of individuals residing in this state and of corporations organized under the laws of this state unless it has acquired a business situs without this state.

(2) The property enumerated in paragraph (b) of subsection (1) of this section shall be considered and estimated in fixing the valuation of corporate franchises.

(3) Property shall be assessed for taxation at its fair cash value, estimated at the price it would bring at a fair voluntary sale, [.] *except as provided in Section 2 of this Act.*

(4) The situs of intangible personal property for purposes of taxation shall be at the residence of the real or beneficial owner, and not at the residence of the fiduciary or agent having custody or possession. Any intangible property owned by a resident shall be taxable in this state, unless by the date of assessment he has changed his place of abode to a place without this state with the bona fide intention of continuing actually to abide permanently without this state. The fact that a person again abides within this state within six months from so changing his actual place of abode shall be prima facie evidence that he did not intend permanently to have his actual place of abode without this state. A person so changing his actual place of abode and not intending permanently to continue it without this state and not having listed his property for taxation as a resident of this state shall, for the purpose of having his property assessed for taxation within this state, be deemed to have resided, on the day when his property should have been so assessed, at his last actual or habitual place of abode within this state. The fact that a person does not claim or exercise the right to vote at public elections within this state shall not of itself constitute him a nonresident of this state.

(5) An administrator, executor, trustee, committee, curator, or agent residing in this state shall not be liable for taxes on intangible personal property held by him if the real or beneficial owner of the property resides outside of this state. This exemption shall not apply in the case of an executor or administrator in the exercise of his office as personal repersentative while the estate of a deceased person is in process of settlement and before

the share of the nonresident legatee or beneficiary is set apart to him, or before the legatee or beneficiary is entitled to be paid his share.

(6) Nothing contained in this section shall affect the liability for franchise taxes payable by corporations organized under the laws of this state; nor the method of taxation of banks and trust companies provided in KRS 136.270; nor the method of taxation of savings and loan associations provided in KRS 136.300; and nothing contained in this section shall alter or repeal KRS 136.030.

Section 2. A new section of Chapter 132 of the Kentucky Revised Statutes is created to read as follows:

(1) In counties containing cities of the first, second, third or fourth classes, the property valuation administrator shall classify as "subject property" all real property within those areas which he shall designate as eligible for tax relief under this Act. The designation shall be made according to guidelines established by the Department of Revenue for such purpose.

(2) No capital improvement on subject property shall be included in any valuation for ad valorem tax purposes for a period of five years after the completion of the improvement. The benefit of this delay in assessment shall extend to any purchaser of the improved real property during the five year period. The benefit of this delay in assessment shall not extend to original construction.

(3) The actual cost of the improvement shall be listed with the property valuation administrator for information purposes only.

HB 618, AN ACT relating to public health.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

Recognizing the need for continuing medical care and treatment not presently offered by the hospitals in the Commonwealth; and further recognizing that the need is greatest in areas

which combine high-density population with low per capita income; and further recognizing that there exists no method for funding such facilities within the Commonwealth; and further recognizing that providing outpatient health facilities for low-income persons is a public purpose, necessary to the health and welfare of the citizens of the Commonwealth, for which public funds may properly be expended; there is hereby created the Outpatient Health Facilities Fund, which shall be administered by the State Board of Health.

Section 2. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) Any city and/or county, upon consent of the Commissioner of Health, may organize a local Outpatient Health Facilities Council consisting of at least nine members. The chief executive officer of any participating city or county shall appoint two members to a selecting committee which shall select the members of the council. Membership on the council shall be representative of local health departments, medical societies, county welfare boards, and hospital boards as well as the general public.

(2) Terms of members shall be for four years, except that of members first appointed, three shall be appointed for a term of two years, three for a term of three years, and three for a term of four years. Vacancies for unexpired terms shall be filled in the same manner as original appointments. Members may be removed by the appointing authority for neglect of duty, misconduct or malfeasance in office, after being given a written statement of charges and an opportunity to be heard thereon.

(3) Members shall receive no compensation for their services but shall be paid for actual expenses incurred in the performances of their duties.

Section 3. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

The council shall study the outpatient facilities, if any, which are available in the community and prepare a working plan for complete facilities which shall include:

(a) Permanent site, which shall be in the geographical

location represented by the highest density population in relation to the lowest per capita income;

(b) Architectural drawings of the building or buildings necessary to properly treat outpatients;

(c) Adequate staff, which shall include a resident physician, a resident dentist, registered nurses, and a mobile unit of nurses to visit patients confined to their homes who need care;

(d) Equipment;

(e) An appraisal of the approximate cost of establishing the facility; and

(f) Proof that local funds, either public and/or private are available to pay the operating costs of the facility.

Section 4. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

The council shall prepare an application for funds for the establishment of the local outpatient health facility on a form provided by the State Board of Health and shall submit the application along with the working plan to the board. The board may employ investigators to examine the application and plan. If the board approves the application and grants the funds, it shall authorize payment to the local council from the amount appropriated for this purpose. Any amount so granted shall be used only for capital expenditures.

Section 5. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

If a grant is made to a local outpatient health council to establish outpatient facilities, the council shall:

(1) Obtain from local sources the funds necessary to operate the facility. Such sources may be either public or private or a combination of these.

(2) Arrange for participation by and cooperation of medical schools within the state, whenever possible, in the operation of the facilities.

(3) Report annually to the State Board of Health on the progress and activity of the local facility.

(4) Appoint an administrator for the local facility.

Section 6. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

The State Board of Health shall:

(1) Promulgate rules and regulations governing the eligibility of local councils to receive state grants, prescribing standards for qualifications of personnel and quality of professional service, and such other rules and regulations as it deems necessary to carry out the provisions of this Act;

(2) Review local outpatient facility programs and the performance of administrative and medical personnel and make recommendations thereon to the local council; and

(3) Provide consultative service to communities to assist in ascertaining local needs and in preparing a working plan.

Section 7. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

In order to provide the necessary funds to operate a local outpatient health facility, any city or county coming under the provisions of this Act may contribute its proportionate cost of the program by direct appropriation from its general tax fund or by allocating therefor the proceeds of a special tax for the support of the program. The cost shall be deemed for all purposes a proper city or county expense.

Section 8. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

If any local outpatient facility is abandoned or ceases to operate, any land, buildings, or equipment that were purchased from funds granted under the provisions of this Act shall revert to the Commonwealth to be sold or otherwise utilized for the benefit of the Commonwealth.

Section 9. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) Subject to the provisions of Section 50 of the Constitution of the Commonwealth as hereinafter provided, a direct in-

debtedness of the Commonwealth in the principal amount of $1,000,000, in addition to any and all other bonds and indebtedness of the Commonwealth, shall be incurred by the Commonwealth through issuance of its general obligation bonds for the bond payment of which, when due, both principal and interest, the full faith, credit, resources, and unlimited taxing powers of the Commonwealth shall be irrevocably pledged; and the proceeds thereof not to exceed $1,000,000, are appropriated for the purposes of this Act. As provided in Section 50 of the Constitution of the Commonwealth, no part of said indebtedness shall be incurred unless this section be approved by a majority vote upon submission to the voters at an election, as hereinafter provided. Such submission shall be at the general election which is to be held on November 2, 1971.

(2) In order to provide for the payment of the stipulated interest, and to discharge within thirty years the indebtedness to be evidenced by the bonds, there shall be levied and collected annually so long as any of such bonds are outstanding and unpaid taxes of the Commonwealth upon all real property, tangible personal property, and intangible personal property from time to time subject to taxation by the Commonwealth, at rates not less than the rates now imposed by law or rates so adjusted as not in any event to jeopardize the prompt payment or principal of and interest on said bonds when due and payable. Proceeds of such taxes, to the extent necessary for payment of the principal of and interest on the bonds, as and when such principal and interest, respectively, shall become due and payable, are hereby appropriated for that purpose; and such amount thereof shall in each year be set aside in the State Treasury in the "Outpatient Health Facilities Sinking Fund," hereby created, and shall be held therein and disbursed and used, upon order of the State Treasurer solely for the purpose of paying the principal of and interest on said identified bonds when and where due and payable, until all of said bonds, or such lesser amount thereof as may have been issued, within thirty years from date of first issue shall have been paid in full. In each year, after setting aside such prescribed amount into the sinking fund, the remainder of the proceeds of said identified taxes shall be available for any proper general fund purposes of the Commonwealth without restriction.

(3) The form of the question which shall be caused to appear on the ballots at the occasion of the general election to be held November 2, 1971, shall be as follows: "Are you in favor of providing outpatient health facilities for the urban population of Kentucky by the issuance of $1,000,000 in general obligation bonds, the proceeds of which shall be used to assist localities in the acquisition of health facilities?"

(4) The question shall be handled in all other ways as proposed Constitutional amendments are handled under KRS 118.170 and 118.430.

(5) The bonds and receipt of interest thereon shall be exempt from all taxation by the Commonwealth and its political subdivisions, municipalities, and taxing districts.

The Committee on Counties and Special Districts reported **HR 70** and **SB 89** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HCR 70, A CONCURRENT RESOLUTION directing the Interim Committee on Counties and Special Districts to study the office of Coroner.

WHEREAS, the office of Coroner in Kentucky is one of ancient vintage, having been established in her original Constitution of 1792 and carried through to the present; and

WHEREAS, the requirements for becoming Coroner in Kentucky consist only of age and residence factors, without the appropriate incentive of adequate compensation to attract well qualified candidates; and

WHEREAS, in many instances the proper carriage of justice depends upon the accuracy of the efforts of these men, even to involving the lives of certain individuals who may be implicated; and

WHEREAS, occasions develop wherein those guilty of serious crimes go free for lack of proper scientific evidence which might have developed in the hands of more capable coroners; and

WHEREAS, the pressures of changing environment, quickening crime rates and social stresses have overburdened an office established and consecrated in a less hectic era; and

WHEREAS, this General Assembly in its role as representative of the interests of all citizens of the Commonwealth deems it appropriate that such conditions as prevail in the selection, compensation and operation of the office of Coroner be investigated thoroughly;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Interim Committee on Counties and Special Districts of the Legislative Research Commission be directed to undertake a comprehensive study of the office of Coroner in Kentucky, as established in Section 99 of the Constitution and implemented in all pertinent portions of the Kentucky Revised Statutes.

Section 2. That the study of the office of Coroner shall include but not be limited to the following areas of consideration:

1. An examination of the appropriate qualifications for performing the duties of a coroner;

2. The development of an appropriate system of classification and compensation for Kentucky's coroners;

(3) Recent and current developments in other states relative to the office of Coroner or medical examiner;

4. Recommendations concerning the reform, improvement and modernization of the office of Coroner in Kentucky, including constitutional and statutory changes necessary therefor.

Section 3. The committee shall report its findings and recommendations to the 1972 General Assembly.

SB 89, AN ACT relating to clerks' fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.010 of the Kentucky Revised Statutes is amended to read as follows:

The clerk of the Court of Appeals and the clerks of circuit courts and county courts, as far as the same will apply, shall receive for the following services the following fees:

Issuing summons	*$1.00*	[$0.70]
Each copy thereof	*.50*	[.40]
Entering return thereon	*.50*	[.40]
Issuing order of attachment	*1.00*	[.70]
Each copy thereof	*.50*	[.40]
Entering return thereon	*.50*	[.40]
Issuing order of injunction	*1.00*	[.70]
Each copy thereof	*.50*	[.40]
Entering return thereon	*.50*	[.40]
Issuing subpoena	*1.00*	[.70]
(All of the witnesses living in the same county ordered to be summoned at the same time shall be included in one subpoena, and the fee therefor shall not be increased.)		
Issuing attachment for a witness	*1.00*	[.70]
Issuing order of arrest	*1.00*	[.70]
Each copy thereof	*.50*	[.40]
Entering return thereon	*.50*	[.40]
Issuing order of delivery	*1.00*	[.70]
Each copy thereof	.50	[.40]
Entering return thereon	*.50*	[.40]
Issuing each writ of possession	2.00	
Docketing an action, motion or proceeding	*.50*	[.25]
Order assigning cases to a division of court	*1.00*	[.50]
Warning order by clerk	*1.00*	[.70]
Order of clerk appointing warning order attorney	*1.00*	[.70]
Issuing a rule	*1.00*	[.70]
Each copy thereof	*.50*	[.40]
Filing return on rule	*.50*	[.40]

Endorsing each step taken in an action on a "step sheet" or envelope in the file or on the rule docket	.50	[.25]
Filing a pleading	.75	[.40]
Filing each exhibit or other paper not a pleading	.50	[.30]
Swearing, entering attendance and issuing certificates of attendance of witnesses, each witness	.50	
Each commission to take deposition	2.00	[1.50]
Filing a deposition, to be charged but once in each case, and all those contained in one envelope to be counted as one	.75	[.40]
Taking a recognizance of a party or witness	1.00	[.50]
Entering or noting of record in order book each order or direction of the court, an order filing any pleading or other paper, each motion, demurrer, disposition thereof or ruling of the court or any other step taken, each	1.00	[.50]
Copy thereof	.50	
Attendance in court [, other than circuit court,] upon each trial of an action, to be charged to each party for each trial	2.00	[1.50]
Attending by himself or by deputy and keeping order in the circuit court, to be paid out of the State Treasury, for each day	6.00	
Swearing a jury	1.00	[.75]
Entering a judgment (other than equity action)	2.00	[1.25]
Each copy thereof	1.00	[.75]
Entering or recording a judgment in an equity action, for every ten words	.05	[.03]
Taxation of costs of each party, to be charged to such party	1.50	[.75]
Each copy of a taxation of costs of each party, if called for	.75	[.50]
Filing copy of costs taxed in the case file	.50	[.40]
Issuing an execution, with all endorsements thereon	2.00	[1.50]
Each copy of an execution with all endorsements thereon	1.25	[1.00]

Recording an execution with endorsements, returns and all papers therewith, when real estate is sold, each ten words	*.05*	[.03]
Copying a record for Court of Appeals or other purpose, each ten words	*.05*	[.03]
Issuing a supersedeas	*1.50*	[1.00]
Each copy thereof	*.50*	[.40]
Entering return thereon	*.50*	[.40]
Filing each transcript on appeal	*.50*	[.40]
Entering satisfaction, release, or discharge of a judgment in whole or in part in court or on an order book, to be paid by the party procuring the same	*1.00*	[.75]
Copying a pleading or other paper, each ten words	*.05*	[.03]
Indexing in Plaintiff's and Defendant's General Index to suits, each name of parties to an action, to be charged for each listing and once in each case	*.50*	[.30]
Indexing in Defendant's Index of Executions of each name of parties to such execution, to be charged for each listing and for each execution issued	*.50*	[.30]
Indexing in Plaintiff's and Defendant's index of Judgments *and orders* of each name of parties to a judgment *and order,* to be charged for each listing and for each judgment *and order*	*.50*	[.30]
Each order made by the clerk in vacation or made by the clerk when the court is not in vacation	*1.00*	[.70]
Each order in the county court	*1.00*	[.60]
Each copy thereof when ordered	*1.00*	[.40]
Probate of a will and certificate, including all services relating thereto	*2.00*	[1.50]
Order granting an administration, or appointing appraisers of estate of any fiduciary	*1.00*	[.75]
Taking a bond for any fiduciary	*2.00*	[1.50]
Certificate of administration or copy of it	.75	
Issuing a writ of idiocy or lunacy	*1.50*	[1.00]
Recording each inquisition under same	*1.50*	[1.00]
Each copy of such inquisition when ordered	*1.50*	[1.00]

Recording deed of trust or assignment for the benefit of creditors	3.50	[2.70]
Copy *and certification* of same when ordered	3.50	[1.25]
Taking bonds required of the trustee or trustees in such cases, and including all services connected with it	3.20	[2.70]
Recording inventories required to be filed by the trustees, for every twenty words	.05	
Each official certificate	1.50	
Each bond required to be taken or prepared by the clerk	2.00	[1.50]
Taking a bond where no fee is fixed specially by law	2.00	[1.50]
Copy of any bond when ordered	1.50	
Recording a bond, each bond	2.00	[1.50]
Receiving the acknowledgment or proof of any deed, mortgage or agreement, power of attorney, or other written instrument required by law to be done and certifying same	1.25	
Recording powers of attorney, agreements, allotments of dower, division of land, wills, inventories, sale bills, settlements of fiduciary accounts, and certificates thereof, for every twenty words, or fraction thereof	.06 *with minimum of 2.00*	[.05]
Recording any report of a commissioner, surveyor, assignee, trustee, receiver, administrator, executor, guardian or other official or person, each ten words	.05 *with minimum of 1.00*	[.03]
Taking the acknowledgment or proof of a deed of real estate, certifying and recording the same and recording his own certificate, provided the entire record thereof does not exceed twelve hundred words	3.50	[2.50]
All over twelve hundred words, every twenty words	.05	
Each additional certificate	.40	

Each additional tract embraced in such deed, except town lots	.40	
Copy of deed and certificate thereon	*3.50*	[2.50]
Recording the conveyance of personal or chattel property, taking the acknowledgment or proof thereof, and recording the orders and certificates, including the whole services	*2.50*	[2.00]
Each copy thereof	*2.00*	[1.50]
Recording a mortgage of real estate, certificates, and all services connected with the same, provided the entire record thereof does not exceed twelve hundred words	*3.50*	[2.50]
All over twelve hundred words, for every twenty words	.05	
Copy of same	*3.00*	[2.50]
Noting release of any lien, mortgage or redemption other than a deed of release	.75	[.40]
Receiving the acknowledgment, recording and certifying each deed of release of a mortgage or lien	2.25	[1.50]
Copying courses and distance of any deed, for each tract when demanded	.40	
Recording plat laid down in the allotment of dower or division of land, for each tract thereof	.40	
Recording or copying a plat or map of land, each lot	.40	
Making a record for the establishment of a city, recording the plan or plat thereof, and all other services incident	6.75	
Recording survey of a city, or any part thereof, or any addition to or extension of the boundary of a city	6.75	
Every order concerning the establishment, changing, closing or discontinuing of roads, to be paid out of the county levy when the road is established, changed, closed or discontinued, and by the applicant when it is not	*1.00*	[.50]
Each order appointing a surveyor of road	*1.00*	[.50]

Each copy thereof	*1.00*	[.50]
(The last two named to be paid out of the county levy.)		
Each order in proceedings for private passways, to be paid by applicant	*1.00*	[.50]
Each copy of same, to be paid by applicant when ordered	*1.00*	[.45]
Each report of list of surveyors of roads made and furnished to the grand jury, to be paid out of the county levy	2.50	
Copying a surveyor's report, for every twenty words or fraction thereof	.05	
Administering an oath and certificate thereof	*1.00*	[.75]
Issuing license for which no other fee is fixed by law	1.50	
Marriage license, bond, certificate and recording	*3.50*	[3.00]
Each order and certificate allowing any claim against the county treasurer or State Treasurer, where the claim exceeds five dollars, to be paid by the claimant	.70	
Recording post notice of an estray, waifboat or wreck, and advertising same	1.00	
For filing, indexing and furnishing filing data for an original or continuation financing statement	*3.00*	[2.50]
For filing and indexing a financing termination statement and sending or delivering the original financing statement	.75	
For filing, indexing and furnishing filing data about an assignment of a financing statement	.75	
For filing and noting a statement of release of collateral under a financing statement	.75	

The Committee on Counties and Special Districts reported **HB 157** without expression of opinion.

The Committee on Rules reported **HB 497, HB 521, SB 125, HB 430, HB 469, SB 151, HB 270, HB 279, HB 318, HB 338, HB 379, HB 401, HB 437, HB 534, HB 543, HB 578, HB 620, HB 621, SB 59, SB 180** and **SB 206** have been posted for passage in Orders of the Day, March 6, 1970.

Calendar

HB 11, HB 161, HB 253, HB 322, HB 323, HB 356, HB 357, HB 417, HB 421, HB 439, HB 476, HB 546, HB 565, HB 566, HB 577, HB 581, HB 587, HB 600, HB 601, SB 265, SB 212, SB 124, SB 116, SB 76, SB 51 and **SB 30** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

The Speaker announced that the Discharge Petition in regard to **HB 562** will be considered on March 6, 1970.

Representative Wible moved the adoption of **HR 71.** Agreed.

HR 71, A RESOLUTION honoring the Honorable Elmer L. Brown.

WHEREAS, the Honorable Elmer L. Brown of Owensboro represented, what was then, the first representative district of Daviess County, Kentucky in the House of Representatives in 1914; and

WHEREAS, as the youngest member of the House during that session, he bore the distinction of being the "Baby of the House"; and

WHEREAS, he will visit the Capitol and the House of Representatives on the fifth of March, 1970;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Honorable Elmer L. Brown be honored by the House of Representatives by granting to him the privileges of the floor on that day.

Section 2. That the Honorable Elmer L. Brown be assigned three minutes on the day of his visit to address the members of this House.

Representative Ruh moved the adoption of **HR 77.** Agreed.

HR 77, A RESOLUTION commending the Kentucky Legislative Intern Program.

WHEREAS, the Legislative Interns are an outstanding example of the leaders of youth today, and the Commonwealth of tomorrow; and

WHEREAS, these interns have helped to make this one of the most productive sessions in modern history; and

WHEREAS, these young people are a group who understand the operation of state government, and will promote this understanding of our government to many citizens of the Commonwealth.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

1. That this House honors the Legislative Intern Program, and the Interns serving this session for their outstanding contribution to this General Assembly and the Commonwealth of Kentucky.

2. The House of Representatives respectfully requests that a certificate of recognition be printed for each Intern.

3. It is also requested that this certificate be signed by the Governor, Lt. Governor, Speaker of the House, and the Director of the Legislative Intern Program.

Representative A. Brown moved the adoption of **HR 78.** Agreed.

HR 78, A RESOLUTION recognizing America's first commercial oil well.

WHEREAS, the sesquicentennial of commercial oil production in the United States has just been completed; and

WHEREAS, the first commercial oil production in the United States was brought in by salt drillers on a farm owned by Martin Beatty in what is now McCreary County, Kentucky; and

WHEREAS, the drillers, Messrs. Marcus Huling and Andrew Zimmerman and Martin Beatty had the drive and foresight to try for the first time in the history of America to market the oil they had discovered; and

WHEREAS, the product that these early oil pioneers produced and marketed now provides 75 percent of the nation's energy; and

WHEREAS, this well and the men who brought it in have never received their rightful recognition; and

WHEREAS, the original oil well may still be seen in McCreary County;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky General Assembly does hereby recognize the McCreary County well for its significance as the first commercial oil well in America and salutes Messrs. Huling, Zimmerman and Beatty for their efforts as early petroleum producers and marketers.

Section 2. That the Kentucky General Assembly urges the Kentucky Historical Society to place a marker at the site of America's first oil well.

Section 3. That the Kentucky General Assembly urges the Kentucky Department of Public Information to place on its travel maps the location of America's first oil well.

Representative Keene requested that his vote be changed from "nay" to "yea" on **HB 309.**

Representative Rickert requested that his vote be changed from "yea" to "nay" on **HB 79.**

Report on Enrolled Bills

The Committee on Enrollment reported **SB 201** had been examined and found correctly enrolled. **SB 201** read at length,

compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Motions, Petitions and Communications (Continued)

Representative Louden filed an amendment to **SB 167.**

Representative Hinkle filed an amendment to **HB 60.**

Representative J. Hardin filed nine (9) amendments to **HB 225.**

Representative J. Hardin filed an amendment to **HR 3.**

Representative Graves filed an amendment to **HB 180.**

Representative Rickert filed an amendment to **HB 347.**

Representative Hughes filed an amendment to **HB 318.**

Orders of the Day

HB 92, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Kenton moved the adoption of the Committee Substitute for **HB 92.** Agreed.

Representative Kenton moved the adoption of the following Amendment to the Committee Substitute for **HB 92:**

Amend printed copy of Committee Substitute for House Bill 92 on page 1, line 3:

by changing the word "shall" to "may"

Agreed.

On the roll call the vote was yeas 81—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Chapman, Clapp, Clarke, Conn, James A. Davis, Deskins,

Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kidd, Knuckles, Lewis, Louden, McBrayer, McBride, McCann, McNamara, May, Mershon, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Wible, Wright, Wyatt, Yocom. Nays—0.

HB 92, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative Kenton moved that the vote by which **HB 92,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative J. Hardin moved that **HB 65, HB 225** and **HB 369** be deferred and that they retain their position in Orders of the Day. Agreed.

SB 147, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative J. Hardin moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative J. Hardin moved that the Committee Amendment to **SB 147** be withdrawn. Agreed.

Representative Baker moved the adoption of the following Amendment to **SB 147:**

Amend printed copy of Senate Bill 147 on page 2, line 3, by: inserting a comma "," after "(2)"

and on line 4, by striking the word "and" before "(3)" and inserting after "(3)," the following: "(4), (5), (6), (7) and (8)"

and on page 2, below line 20, by inserting the following:

"(4) All student records shall be made available upon request to any Federal, State, or local law enforcement agency and any court of law.

(5) All student academic records shall be made available upon request to any grantor of scholarships or loans based upon

the maintenance of a satisfactory level of scholarship, but shall be for the official use of the grantors only.

(6) All student records shall be made available upon request to a public or private junior college from which the individual student was graduated or to a public or private secondary school from which the individual student was graduated.

(7) All student records shall be made available upon request to the Council on Public Higher Education for professional academic research.

(8) All student records shall be made available upon request to any official of the university or college in which the student is enrolled who is directly concerned with the student's academic progress. This authority shall include, but is not limited to the individual student's academic advisor."

and on page 2, line 21, by striking "(4)" and substituting therefor "(9)"

and on line 24, by striking "(5)" and substituting therefor "(10)"

and on line 24, by inserting between the words "who" and "violates" the word "deliberately"

Agreed.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett, Baker, Blandford, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, John E. White, Wible, Wright, Wyatt. Nays—0.

SB 147 as amended was passed and the title agreed to.

Representative J. Hardin moved that the vote by which **SB 147** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 180 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 33—Blandford, Blume, Edward G. Brown, Carroll, Carter, Conn, Curlin, Donnermeyer, Isler, Keene, Kenton, Kidd, Kleier, Lewis, McBrayer, McBride, Mershon, Miller, Murphy, Nett, Parish, Prather, Priddy, Ray, W. J. Reynolds, Ruh, Siemens, Swinford, Van Horn, Wenz, Wible, Wyatt, Yocom. Nays 60—Alexander, Allen, Arnett, Baker, Bartley, Bleemel, Blythe, A. Brown, H. Brown, Clapp, Clarke, Collins, J. A. Davis, W. Davis, DeMarcus, Deskins, Dorris, Durham, Floyd, Freeman, Graves, Haney, J. Hardin, L. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Keith, Kessinger, King, Knuckles, Lindsay, Lovins, McCann, McNamara, Massey, May, Osborne, Paxton, Peak, Pollitte, Rattliff, Reed, R. Reynolds, Rickert, Roberts, Salyers, Schmidt, Sharpe, Simmons, Stuart, Tobin, Wells, West, Wheeler, G. White, J. White, Wright.

HB 180 was defeated.

Representative Blythe moved that the vote by which **HB 180** was defeated be reconsidered and said motion be postponed indefinitely. Agreed.

HB 482 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative May moved the adoption of the following Amendment to **HB 482:**

Amend printed copy of House Bill 482 on page 2, line 15, by:

inserting after the word *"fiduciary"* the words ", *except as provided in KRS 287.220,*

Agreed.

Representative May moved the adoption of the Committee Amendment to **HB 482.** Agreed.

On the roll call the vote was yeas 84—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Archie Brown, Edward G. Brown, Hershel Brown, Carroll, Carter, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, John E. White, Wible, Wyatt, Yocom. Nays—0.

HB 482 as amended was passed and the title agreed to.

Representative May moved that the vote by which **HB 482** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 234, HB 408, HB 327, HB 263** and **HB 205** had been examined and found correctly enrolled. **HB 234, HB 408, HB 327, HB 263** and **HB 205** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 234, HB 408, HB 327, HB 263 and **HB 205** delivered, signed by President. Ordered delivered to the Governor.

Orders of the Day (Continued)

Representative McBrayer moved that consideration of **HB 347, HB 436, HB 474,** and **HB 216** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 236 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that

it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 83—Alexander, Allen, Arnett, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Chapman, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McNamara, Massey, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Peak, Prather, Priddy, Rattliff, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, John E. White, Wible, Wright, Yocom. Nays 3—Baker, Lovins, Paxton.

HB 236 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 236** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 479 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Prather moved that **HB 479** be laid on the Clerk's desk. Agreed.

HB 315 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 87—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clapp, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King,

Knuckles, Lewis, Lindsay, Louden, McBrayer, McCann, McNamara, Massey, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Reed, Russell Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 1—McBride.

HB 315 was passed and the title agreed to.

HB 240, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative DeMarcus moved the adoption of the Committee Substitute for **HB 240.** Agreed.

Representative DeMarcus moved that action on **HB 240** be deferred until the Committee Substitute for **HB 240** could be supplied. Agreed.

HB 451 taken from Orders of the Day and ordered read at length for the third time. Representative E. G. Brown moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 47—Alexander, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Carter, Chapman, Clarke, Conn, Curlin, Walter Davis, Donnermeyer, Dorris, John O. Hardin, Holloway, Huff, Keene, Kenton, Kessinger, King, Kleier, Knuckles, McBrayer, McCann, McNamara, Mershon, Murphy, Nett, Peak, Prather, W. J. Reynolds, Rickert, Roberts, Schmidt, Sharpe, Stuart, Swinford, Tobin, Wells, Wenz, West, Wible, Wyatt, Yocom. Nays 28—A. Brown, H. Brown, Bruce, Collins, DeMarcus, Deskins, Durham, Freeman, Graves, Head, Hughes, Isler, Kidd, Lewis, Lovins, McBride, Osborne, Parish, Paxton, Pollitte, Rattliff, Ray, Ruh, Siemens, Simmons, Van Horn, Wheeler, G. White.

HB 451 was passed and the title agreed to.

Representative E. G. Brown moved that the vote by which **HB 451** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Swinford filed an amendment to **HR 3.**

HB 452 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 36—Alexander, Baker, Blandford, Blume, Blythe, Edward G. Brown, Chapman, Clapp, Clarke, Conn, Curlin, Donnermeyer, Dorris, Holloway, Huff, Keene, Kenton, Kessinger, Kleier, Knuckles, Lindsay, McCann, Massey, Murphy, Nett, Peak, Roberts, Schmidt, Sharpe, Stuart, Swinford, Wells, Wenz, Wible, Wyatt, Yocom. Nays 43—Allen, Arnett, A. Brown, H. Brown, Bruce, Collins, DeMarcus, Deskins, Durham, Floyd, Freeman, Graves, Haney, J. Hardin, Head, Hinkle, Hughes, Isler, Kidd, Lewis, Lovins, McBrayer, Mershon, Osborne, Parish, Paxton, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, R. Reynolds, Rickert, Ruh, Salyers, Siemens, Simmons, Van Horn, West, Wheeler, G. White, Wright.

HB 452 was defeated.

Representative McBrayer moved that **HB 240,** by way of Committee Substitute, now be placed upon its passage. Agreed.

On the roll call the vote was yeas 83—Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carter, Chapman, Clarke, Collins, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Deskins, Donnermeyer, Dorris, Durham, Floyd, Graves, Haney, L. T. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Keene, Keith, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, McBrayer, McCann, McNamara, May, Mershon, Miller, Murphy, Nett, Osborne, Parish, Peak, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Roberts, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 1—Paxton.

HB 240, by way of Committee Substitute, was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 240,** by way of Committee Substitute, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Senate Message

Announcing passage of **HB 36, HB 66, SB 257, SB 129, SB 195, SB 259** and **SB 304.**

Representative Kidd requested that she be recorded as voting "nay" on **HB 429, HB 451** and **HB 452.**

Representative Siemens requested that he be recorded as voting "nay" on **HB 451.**

Introduction of Bills and Resolutions (Continued)

HB 694, by Representative Allen: AN ACT relating to the Kentucky State Plumbing Code.

HB 695, by Representative Freeman: AN ACT relating to automobile insurance.

HB 696, by Representative DeMarcus: AN ACT relating to the jurisdiction of the state police.

HB 697, by Representatives Conn, Wyatt, Yocom, Blume, Nett, Kleier and Priddy: AN ACT relating to school taxes.

HB 698, by Representative Blythe: AN ACT relating to insurance.

HR 85, by Representative Hughes: A RESOLUTION inviting former Senator C. W. A. McCann to address the House of Representatives on Thursday, March 12, 1970.

HJR 86, by Representatives Wenz, Baker, Parish, Van Horn, Head, Hughes, Nett and Freeman: A JOINT RESOLUTION creating the Simon Kenton State Shrine Commission.

HB 699, by Representative Kleier: AN ACT relating to motor vehicle registration lists.

HB 700, by Representative Kleier: AN ACT relating to podiatry.

HB 701, by Representatives Keene and Conn: AN ACT relating to motorboats.

HB 702, by Representatives Reed, Osborne, Ruh, L. T. Hardin, and Peak: AN ACT relating to education and the financing thereof.

HJR 87, by Representative Blythe: A JOINT RESOLUTION directing payment of the claim of Blanche H. Crouch.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **SB 267.**

Appropriations and Revenue: **HB 661, HB 670, HB 676, HB 678.**

Banking and Insurance: **SB 93.**

Business Organizations and Professions: **HB 663.**

Cities: **HB 673, SB 268.**

Education: **HB 665, SB 228.**

Elections and Constitutional Amendments: **HB 668.**

Health and Welfare: **HB 667, HB 672.**

Highways and Traffic Safety: **HB 671, HB 681, HR 76.**

Judiciary: **HB 662, HB 664, HB 666, HB 675, HB 677, SB 24, SB 311.**

Public Utilities and Transportation: **HB 674.**

State Government: **HB 660, HB 669, HB 679, HB 680, SB 23, SB 167, SB 283, SB 290.**

Rules: **HR 79.**

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Business Organizations and Professions: **SB 92, SB 245, HB 605, HB 487.** (Room 401, March 6, 1970, 11:00 a.m.)

Labor and Industry: **HB 334, HB 335, HB 508, HB 560, HB 561, HB 580, HB 359, SB 6.** (Room 305, March 6, 1970, 11:00 a.m.)

Health and Welfare: **HB 393, HB 540, HB 592, HB 593, HB 594, HB 608, SB 70.** (Special Meeting, Room 401, March 6, 1970, 10:00 a.m.)

Cities: **HB 555, HB 576.** (Room 401, March 6, 1970, on adjournment)

Judiciary: **SB 138, SB 192, HB 634, HB 167, HB 496.** (Room 402, March 6, 1970, 10:00 a.m.)

Appropriations and Revenue: **HB 610, HB 142, HB 459, HB 206, HB 638, HB 659, HB 515, HB 517, HB 466, HB 195, HB 638, HB 142, HB 219.** (Room 404, March 6, 1970, 10:00 a.m.)

State Government: **HB 589, HB 630, HB 625, HB 669, HB 127, HB 651.** (Special Meeting, Speaker's Office, March 6, 1970, 11:00 a.m.)

The Clerk announced the following Bills and Resolutions have been withdrawn from consideration:

Labor and Industry: **HB 134, HB 135, HB 272.**

State Government: **HB 146.**

The Clerk announced the following meetings:

Committee on Education: Room 401, March 9, 1970, 1:30 p.m.

Committee on Elections and Constitutional Amendments: Democratic Caucus Room, March 6, 1970, 11:00 a.m.

Representative Hinkle moved that the House adjourn until 1:00 p.m., Friday, March 6, 1970. Agreed.

FRIDAY, MARCH 6, 1970
FORTY-EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker Pro Tempore Blume.

Prayer by the Reverend, Dr. Robert Insko, Episcopal Church of the Ascension, Frankfort.

The roll was called. All present except Representatives Chapman, Collins, and McGill.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative McNamara moved that the reading of the Journal of March 5, 1970, be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 703, by Representative Blythe: AN ACT relating to motor vehicles and to make uniform the law with reference to certification of title.

HB 704, by Representative Reed: AN ACT relating to the Minimum Foundation Program.

HB 705, by Representative Massey: AN ACT relating to installment loans.

HB 706, by Representative Collins: AN ACT pertaining to Workmen's Compensation particularly to the Special Fund and the Maintenance Fund.

HR 88, by Representatives Roberts, Ruh, Mershon, King, Donnermeyer, Murphy and Schmidt: A RESOLUTION honoring Woodrow Wilson Fellows at Thomas More College.

HB 707, by Representative McCann: AN ACT relating to schools.

HB 708, by Representative McCann: AN ACT regulating the trade practices of credit bureaus and subscribers thereto.

HB 709, by Representative Kenton: AN ACT relating to abandonment.

Reference of Bills and Resolutions

The Committee on Committees has referred the following Bills and Resolutions:

Agriculture and Natural Resources: **HR 86.**

Appropriations and Revenue: **HB 685, HB 697, HR 87, SB 195, SB 259.**

Banking and Insurance: **HB 684, HB 695, HB 698.**

Business Organizations and Professions: **HB 690, HB 691.**

Cities: **HB 696, SB 303.**

Counties and Special Districts: **HB 689.**

Education: **HB 702.**

Elections and Constitutional Amendments: **HB 682, HB 686.**

Health and Welfare: **HB 687, HB 688, HB 693, HB 700, SB 281.**

Judiciary: **HB 699, SB 285, SB 291.**

Labor and Industry: **HB 694.**

Public Utilities and Transportation: **HB 683, HB 692, HB 701, SB 129, SB 304.**

State Government: **SB 257, HR 85, HR 80.**

Rules: **HR 82, HR 83, HR 84.**

Report of Committees

The Committee on State Government reported **HR 59, HB 233** with Committee Substitute attached thereto, **HB 305, HB 453** with Committee Amendment attached thereto, **HB 551, HB 598, HB 625, HB 630, HB 651** and **HB 669** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HJR 59, A JOINT RESOLUTION expressing the policy of the Commonwealth that the dissemination of knowledge about state and local history be encouraged by all public agencies.

WHEREAS, interest in the history of the Commonwealth of Kentucky and of its various local communities has vastly increased in recent years, as evidenced by the increase in membership of the Kentucky Historical Society, its Young Historians' Association and other historical societies; and

WHEREAS, as it has been said of local loyalties in the past, "This love of a specific place gave great strength and comfort to the human heart"; and

WHEREAS, a knowledge of "the part within the whole" promotes a broader patriotism which cannot be produced by an amorphous and generalized study of larger areas; and

WHEREAS, it is particularly necessary that the younger citizens of the Commonwealth be interested in the particular, which they can understand, rather than the general, which is easily forgotten; and

WHEREAS, the younger citizens of the Commonwealth can identify themselves with areas which they can see and with people who constituted their own immediate ancestors,

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That it is the public policy of the Commonwealth to promote the study of the history of this Commonwealth and of its constituent communities, and to encourage the dissemination of knowledge about the history of Kentucky.

Section 2. That all agencies and subdivisions of the Commonwealth are authorized and directed to implement the public policy herein declared by taking such actions as may be within the scope of their authority, purposes, and resources.

HB 233, AN ACT relating to the purchasing of the combined requirements of all agencies of the State, and the disposition of all surplus property of the State.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 45 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context otherwise requires:

(1) The term "personal property" includes all items of moveable, tangible property such as, for example, furniture, machines, tools, office and other equipment, vehicles, livestock, books, and other chattels.

(2) The term "real property" includes buildings and other improvements on land, and land and all interests therein such as, for example, leaseholds, easements, and other rights.

(3) The term "Department" means the Department of Finance.

(4) The term "Commissioner" means the Commissioner of Finance.

(5) The term "Director of Purchases" means the Director of the Division of Purchases, and the term "Director of Properties" means the Director of the Division of Properties.

(6) The term "agency" includes any department, board, commission, college, university, or other administrative body or institution of the Commonwealth of Kentucky.

(7) The term "purchase" means to buy for a consideration or otherwise to acquire.

Section 2. A new section of Chapter 45 of the Kentucky Revised Statutes is created to read as follows:

The Department shall purchase, or shall delegate and control the purchase of, the combined requirements of all spending agencies of the State including, but not limited to, real property, contractual and other services, rentals, and supplies, materials, and other types of personal property. The Department shall dispose of, or delegate and control the disposal of, all surplus real and personal property of the State.

Section 3. A new section of Chapter 45 of the Kentucky Revised Statutes is created to read as follows:

There are hereby created two separate divisions in the Department to be known respectively as the Division of Purchases

and the Division of Properties. Each division shall be headed by a director appointed by the Commissioner. The Director of Purchases shall be responsible to the Commissioner for the performance of all duties and functions assigned by law to the department relating to the purchase of all requirements except real property. The Director of Properties shall be responsible to the Commissioner for the performance of all duties and functions assigned by law to the Department relating to the purchase of all real property, and relating to the disposal of all surplus real and personal property.

Section 4. Section 45.360 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Division of Purchases, through its director shall be responsible for the performance of, or possess, the following functions or duties:

(a) It shall have supervision over all purchases by the various spending agencies, except as otherwise provided by law; shall prescribe rules and regulations to govern purchasing by or for all such agencies, subject to the approval of the Commissioner; and shall publish a manual of procedures to be distributed to agencies and to be revised upon issuance of amendments to such procedures. No purchase or contract shall be binding on the state or any agency thereof unless approved by the division or made under general regulations which the Department may prescribe.

(b) It shall require all agencies to furnish an estimate of specific needs for supplies, materials, equipment, and other personal property to be purchased by competitive bidding for the purpose of permitting scheduling of purchasing in large volume. It shall establish and enforce schedules for purchasing supplies, materials, and equipment. In addition, all agencies shall submit to the Division of Purchases prior to the beginning of each fiscal year an estimate of all needs for supplies, materials, equipment, and other personal property during that year which will have to be acquired through competitive bidding.

(c) It shall maintain records of all purchases made under its authority and shall make periodic summary reports of all transactions to the Commissioner of Finance, the Governor, and

the General Assembly. The division shall also report trends in costs and prices, including savings realized through improved practices, to the above authorities.

(d) It shall attempt in every practicable way to insure the state's supplying its real needs at the lowest possible cost.

(2) The Division of Properties, through its director shall be responsible for the performance, or possess, the following function or duties:

(a) Except as provided in KRS Chapters 175, 176, 177, and 180, it shall purchase or otherwise acquire all real property determined to be needed for state use, upon the approval of the Commissioner as to the determination of need and as to the action of purchase or other acquisition. It shall be responsible for securing the appraisal of any such real property. The division may utilize the services of the Department of Highways, pursuant to KRS 12.090, in obtaining any required appraisal; provided, however, that an appraisal will not be required in the case of a proposed lease unless the Director of Properties determines that an appraisal would be in the public interest. The approval of the Commissioner as to the determination of need shall be set forth in an Official Order. Said Order shall designate the property, or interest in property, deemed necessary and shall indicate the public use for which the property is being acquired. All property acquired shall be in fee simple when specified by the Official Order, and, if by condemnation, specifield by the petition filed in the action. The Official Order of the Commissioner shall be conclusive of the public use of, or need for, the condemned property and the condemnor's approval of the necessity for taking the property will not be disturbed in the absence of fraud, bad faith, or abuse of discretion. In no event shall the amount paid exceed the appraisal value of said property determined by the required appraisal, or the value set by condemnation procedure, unless the Commissioner carefully reviews the proposed transaction, deems it to be in the best interest of the Commonwealth, and directs that the purchase be completed. The officials and employees of agencies for which property is being acquired shall refrain from discussing tentative purchase prices or entering into tentative purchase price agreements with owners of such property.

(b) It shall sell or otherwise dispose of all personal and real property of the state which is not needed or has become unsuitable for public use, or would be more suitable consistent with the public interest for some other use, as determined by the Commissioner. In the case of real property, the determination of the Commissioner shall be set forth in an order, and shall be reached only after review of a written request by the agency desiring to dispose of such property. Such request shall describe the real property involved and state the reasons why the agency believes the disposal should be effected. All instruments required by law to be recorded which convey any interest in any such real property so disposed of shall be executed and signed by the Commissioner and approved by the Governor; provided, however, that instruments conveying less than a fee title such as, for example, easements and licenses, need not be approved by the Governor. Unless the Commissioner deems it to be in the best interest of the Commonwealth to proceed otherwise, all such property shall be sold either by invitation of sealed bids or by public auction. The selling price of any interest in real property shall not be less than the appraisal value of said property unless, upon written request of the agency desiring disposal of the property, the Commissioner carefully reviews the proposed transaction, deems it to be in the best interest of the Commonwealth, and directs that the sale be completed.

(c) In addition to its other duties regarding the control and management of real property, it shall maintain a real property inventory system which shall indicate, along with other information determined by the Director of Properties to be useful, the source of title, location, current use, and acreage or square footage of all real property owned, leased or otherwise held or possessed by the Commonwealth of Kentucky, except that acquired or held pursuant to the provisions of KRS Chapters 175, 176, 177, and 180. The Division shall insure that the boundaries of all real property owned or held pursuant to long term leases by the Commonwealth of Kentucky, except that acquired or held pursuant to the provisions of KRS Chapters 175, 176, 177, and 180, are marked or otherwise suitably identified as property of the Commonwealth.

(d) Relative to the duties of the Department of Finance regarding the allocation to agencies of state government of office,

storage, warehouse, and other space in state owned or leased facilities, the Division of Properties shall be responsible for the following: determination of comparative space or housing needs of the various agencies; establishment of standards for space allocation; maintenance of a current inventory reflecting usable space in stated owned and leased facilities; determination of rental rates necessary for debt retirement or building maintenance.

(e) In addition to its other duties regarding the disposition of surplus personal property, it shall be responsible for the following: establishment of requirements for office equipment and furniture used or to be used by the various agencies; maintenance of a current inventory of all personal property, which said inventory may be used upon inventories which may be required from all agencies; classification of all surplus personal property for return to inventory or disposal as salvage; and such other duties as may be assigned by the Commissioner.

(3) Real property may be purchased, leased, or otherwise acquired from any officer or employe of any agency of the state upon a finding by the Director of Properties, based upon a written application by the head of the agency requesting the purchase, and approved by the Commissioner and the Governor, that the employe has not either himself or through any other person influenced or attempted to influence either the agency requesting the purchase of the property or the Division of Properties in connection with such acquisition. In any case in which such an acquisition is consummated, the said request and finding shall be recorded and kept by the Secretary of State along with the other documents recorded pursuant to the provisions of KRS Chapter 56.

[(1) The Director of Purchases, under the direction of the Commissioner of Finance, shall purchase, or shall delegate and control the purchase of, the combined requirements of all spending agencies of the state including, but not limited to, interests in real property, contractual services, rentals of all types, supplies, materials, equipment, and services, except that competitive bids may not be required:

(a) For contractual services where no competition exists, such as telephone service, electrical energy, and other public utility services;

(b) When in the judgment of the Director of Purchases food, clothing, equipment, supplies, or other materials to be used in laboratory and experimental studies can be purchased otherwise to the best advantage of the state; and instructional materials available from only one source;

(c) Where rates are fixed by law or ordinance;

(d) For library books;

(e) For commercial items that are purchased for resale;

(f) For professional, technical, or artistic services (Contracts exempted by the provision shall be referred to the Department of Personnel for review and approval.);

(g) For all other commodities, equipment and services which, in the reasonable discretion of the Director of Purchases, are available from only one source; and

(h) Interests in real property.]

[(2) Nothing in this section shall deprive the Division of Purchases from negotiating with vendors who maintain a General Service Administration price agreement with the United States of America or any agency thereof, provided, however, that no contract executed under this provision shall authorize a price higher than is contained in the contract between General Service Administration and the vendor affected.]

[(3) The Division of Purchases shall have supervision over all purchases by the various spending agencies, except as otherwise provided by law, and shall prescribe rules and regulations to govern purchasing by or for all such agencies, subject to the approval of the Commissioner of Finance, and shall publish a manual of procedures to be distributed to agencies and to be revised upon issuance of amendments to such procedures. No purchase or contract shall be binding or the state or any agency thereof unless approved by the division or made under general regulations which the Department of Finance may prescribe.]

[(4) The Division of Purchases shall adopt regulations to require agencies to take and maintain inventories of plant and equipment. The Division of Purchases shall conduct periodic physical audits of inventories.]

[(5) The Director of Purchases shall require all agencies

to furnish an estimate of specific needs for supplies, materials, and equipment to be purchased by competitive bidding for the purpose of permitting scheduling of purchasing in large volume. He shall establish and enforce schedules for purchasing supplies, materials, and equipment. In addition, all agencies shall submit to the Director of Purchases prior to the beginning of each fiscal year an estimate of all needs for supplies, materials, and equipment during that year which will have to be acquired through competitive bidding.]

[(6) The Division of Purchases shall have power, with the approval of the Commissioner of Finance, to transfer between departments, to salvage, to exchange, and to condemn supplies, equipment, and real property.]

[(7) The Division of Purchases shall sell or otherwise dispose of all property (including any interest in real property) of the state which is not needed or has become unsuitable for public use, or would be more suitable consistent with the public interest for some other use, as determined by the Commissioner of Finance. The determination of the Commissioner of Finance shall be set forth in an order, and shall be reached only after review of a written request by the agency desiring to dispose of the property. Such request shall describe the property and state the reasons why the agency believes disposal should be effected. All instruments required by law to be recorded which convey any interest in any such real property so disposed of shall be executed and signed by the Commissioner of Finance and approved by the Governor. Unless the Commissioner of Finance deems it in the best interest of the state to proceed otherwise, all such property (including any interests in real property) shall be sold either by invitation of sealed bids or by public auction, provided however that the selling price of any interest in real property shall not be less than the appraised value thereof as determined by the Department of Revenue, or Department of Highways for such requirements of that department.]

[(8) Except as provided in KRS Chapters 175, 176, 177, and 180, the Division of Purchases shall purchase or otherwise acquire all real property determined to be needed for state use, upon the approval of the Commissioner of Finance as to the determination of need and as to the action of purchase or other

acquisition, provided that the amount paid shall not exceed the appraised value as determined by the Department of Revenue, Department of Highways (for such requirements of that Department), or value set by eminent domain procedure.]

[(9) Real property or any interest therein may be purchased, leased, or otherwise acquired from any officer or employe of any agency of the state upon a finding by the Division of Purchases, based upon a written application by the head of the agency requesting the purchase, and approved by the Commissioner of Finance and the Governor, that the employe has not either himself or through any other person influenced or attempted to influence either the agency requesting the purchase of the property or the Division of Purchases in connection with such acquisition. In any case in which such an acquisition is consummated, the said request and finding shall be recorded and kept by the Secretary of State along with the other documents recorded pursuant to the provisions of KRS Chapter 56.]

[(10) The Division of Purchases shall maintain records of all purchases and sales made under its authority and shall make periodic summary reports of all transactions to the Commissioner of Finance, the Governor, and the General Assembly. The division shall also report trends in costs and prices, including savings realized through improved practices, to the above authorities.]

[(11) The Director of the Division of Purchases shall attempt in every practicable way to insure the state's supplying its real needs at the lowest possible cost.]

Section 5. Section 45.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in this section, the Department shall require competitive bids for all purchases, provided, however, that competitive bidding may not be required in relation to the following purchasing transactions:

(a) For contractual services where no competition exists, such as telephone service, electrical energy, and other public utility services;

(b) When in the judgment of the Director of Purchases, food, clothing, equipment, supplies or other materials to be used

in laboratory and experimental studies can be purchased otherwise to the best advantage of the state;

(c) For instructional materials available from only one source;

(d) Where rates are fixed by law or ordinance or become effective upon approval by a public agency;

(e) For interests in real property;

(f) For library books;

(g) For commercial items that are purchased for resale;

(h) With a vendor or vendors who maintain a General Service Administration price agreement with the United States of America or any agency thereof, provided, however, that no contract executed under this provision shall authorize a price higher than is contained in the contract between General Service Administration and the vendor affected;

(i) For professional, technical, or artistic services (contracts exempted by this provision shall be referred to the Department of Personnel for review and approval);

(j) For all other commodities, equipment, and services which, in the reasonable discretion of the Director of Purchases, are available from only one source.

(2) [(1)] All persons, firms, or corporations who desire to bid on and furnish any of the materials, supplies, or equipment usually purchased by the Division of Purchases may at any time file with the division its or their name or names, together with the character and kind of such materials, supplies, and equipment which it or they may desire to bid on and furnish, and such names shall be placed on the list of bidders applicable to such commodities as they desire to bid on and furnish. For identification purposes, the Division of Purchases may use any code system to identify prospective bidders which the Division of Purchases finds is necessary and in the best interest of the Commonwealth of Kentucky. Prior to such listing, however, the Director of Purchases shall verify the qualifications of prospective bidders in terms of:

(a) Ability, capacity, and skill of the bidder to perform on a timely basis under contract for goods and services which he desires to bid on and furnish;

(b) Character, integrity, reputation, and experience of the bidder;

(c) Performance in previous dealings with the Commonwealth of Kentucky and other governmental agencies or private business concerns; and

(d) Compliance with the health rules and regulations of the Commonwealth of Kentucky.

(3) [(2)] Subject to the right of appeal by the prospective bidder to the Commissioner of Finance, the Director of Purchases may remove any bidder for any one of the following reasons:

(a) Failure to meet minimum qualifications;

(b) Failure to post bid or performance bonds as the Director of Purchases may require either at the time of submission of bids or prior to award of contract;

(c) Substitution of commodities or equipment without approval in writing from the Division of Purchases;

(d) Failure to meet delivery conditions specified in the bid;

(e) Failure to replace inferior or defective materials, equipment, or supplies immediately;

(f) Failure to respond to three invitations received;

(g) Falsifying invoices;

(h) Collusion or collaboration on Commonwealth Invitation to Bid;

(i) Falsifying information on the "Application to be Placed on Vendor's List";

(j) Refusal to accept a contract award as provided in the bid;

(k) Failure to submit the Kentucky sales-use tax reports or failure to remit sales-use or income taxes assessed by the Department of Revenue.

(4) [(3)] The Division of Purchases and using agencies shall employ the lists of bidders and other sources of information in such a way as to foster the highest level of sound competition when invitations to bid are issued as required by this section.

In the event that there are more than ten bidders on the list applicable to a given commodity, at least ten of those listed shall be issued invitations when competitive bidding is required by this section in the purchase of said commodity, and any additional qualified bidders, whether or not they were issued invitations, may request invitations and shall be afforded the opportunity to submit a bid. In addition, the division shall solicit bids by publication in two newspapers of general circulation in the state to be determined and designated by the Commissioner of Finance. The notice to be published shall contain a general description of items to be purchased or sold; the date, time and location on and at which bids will be opened; and the location from which the list of items, terms, and specifications can be obtained. For purposes of advertising in newspapers, a detailed listing of items shall not be necessary.

(5) [(4)] The Division of Purchases shall require the formal invitation of sealed written bids on all purchases, except as provided in *this section and KRS 42.061 and 45.400,* [KRS 42.061, 45.360, and 45.400,] for which the gross amount is estimated to exceed one thousand dollars for building renovation and repair (inclusive projects) or $500 for other transactions. The division shall designate by regulation the manner, which manner may include the taking of sealed competitive bids, in which all purchases less than these amounts shall be made. In all cases where the division required competitive quotations, a record shall be kept of all quotations solicited and received.

(6) [(5)] An agency shall not split or parcel purchases over a period of time for the purpose of evading competitive bidding. In any case in which purchases are so split or parceled, the agency head shall be personally liable for the amount by which the total amount purchased exceeds the amount authorized to be purchased.

(7) [(6)] For any purchase in which the estimated price exceeds two thousand dollars, invitations to bid shall be postmarked at least fourteen days before the day set for opening. For any purchase in which the estimated price does not exceed two thousand dollars, invitations to bid shall be postmarked at least seven days before the day set for opening. Said invitations shall state the time and place of receiving and opening

of bids and any other information the division deems in the best interest of the state. Wherever possible items should be described by standard specifications. All said bids shall be made in writing and sealed and shall be opened and read publicly at the stated time. After due consideration and a reasonable time the division shall award the contract to the lowest qualified bidder, unless in the discretion of the said division no satisfactory bid had been received, in which event all bids may be rejected and new bids requested as provided by this section. Time discounts shall not be considered, except where fair trade commodities are involved.

Committee Substitute, HB 233, AN ACT relating to the purchasing of the combined requirements of all agencies of the state, and the disposition of all surplus property of the state.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 42 of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby created in the department a division to be known as the Division of Properties. It shall be headed by a director appointed by the commissioner. The director shall be responsible to the commissioner for the performance of all duties and functions heretofore assigned by law to the department relating to the purchase of all real property, and relating to the disposal of all state owned surplus, real and personal property.

(2) In addition to its other duties regarding the control and management of real property, the division shall maintain a real property inventory system which indicates, along with other information determined by the Director of Properties to be useful, the source of title, location, current use, and acreage or square footage of all real property owned, leased, or otherwise held or possessed by the Commonwealth of Kentucky, except that acquired or held pursuant to the provisions of KRS Chapters 175, 176, 177, and 180. The division shall insure that the boundaries of all real property owned or held pursuant to long term leases by the Commonwealth of Kentucky, except that acquired or held pursuant to the provisions of KRS Chapters 175, 176, 177,

and 180, are marked or otherwise suitably identified as property of the Commonwealth.

(3) The division shall perform those duties assigned to the department by KRS 56.463 (4) (b).

Section 2. Section 45.360 of the Kentucky Revised Statutes is amended to read as follows:

(1) The *Department of Finance* [Director of Purchases, under the direction of the Commissioner of Finance,] shall purchase, or shall delegate and control the purchase of, the combined requirements of all spending agencies of the state including, but not limited to, interests in real property, contractual services, rentals of all types, supplies, materials, equipment, and services, except that competitive bids may not be required:

(a) For contractual services where no competition exists, such as telephone service, electrical energy, and other public utility services;

(b) When in the judgment of the Director of Purchases food, clothing, equipment, supplies, or other materials to be used in laboratory and experimental studies can be purchased otherwise to the best advantage of the state; and instructional materials available from only one source;

(c) Where rates are fixed by law or ordinance *or become effective upon approval by a public agency;*

(d) For library books;

(e) For commercial items that are purchased for resale;

(f) For professional, technical, or artistic services (Contracts exempted by this provision shall be referred to the Department of Personnel for review and approval.);

(g) For all other commodities, equipment and services which, in the reasonable discretion of the Director of Purchases, are available from only one source; [and]

(h) Interests in real property; [.]

(i) [(2) Nothing in this section shall deprive the Division of Purchases from negotiating] *With* [with] vendors who maintain a General Services Administration price agreement with the United States of America or any agency thereof, provided,

however, that no contract executed under this provision shall authorize a price higher than is contained in the contract between General Service Administration and the vendor affected.

(2) [(3)] The Division of *Properties* [Purchases] shall have supervision over all purchases by the various spending agencies, except as otherwise provided by law, and shall prescribe rules and regulations to govern purchasing by or for all such agencies, subject to the approval of the Commissioner of Finance, and shall publish a manual of procedures to be distributed to agencies and to be revised upon issuance of amendments to such procedures. No purchase or contract shall be binding on the state or any agency thereof unless approved by the division or made under general regulations which the Department of Finance may prescribe.

(3) [(4)] The Division of *Properties* [Purchases] shall adopt regulations to require agencies to take and maintain inventories of plant and equipment. The Division of *Properties* [Purchases] shall conduct periodic physical audits of inventories.

(4) [(5)] The *Division* [Director] of Purchases shall require all agencies to furnish an estimate of specific needs for supplies, materials, and equipment to be purchased by competitive bidding for the purpose of permitting scheduling of purchasing in large volume. *The division* [He] shall establish and enforce schedules for purchasing supplies, materials, and equipment. In addition, all agencies shall submit to the Director of Purchases prior to the beginning of each fiscal year an estimate of all needs for supplies, materials, and equipment during that year which will have to be acquired through competitive bidding,

(5) [(6)] The *Department* [Division of Purchases] shall have power[, with the approval of the Commissioner of Finance,] to transfer between departments, to salvage, to exchange, and to condemn supplies, equipment, and real property.

(6) [(7)] The *Department* [Division of Purchases] shall sell or otherwise dispose of *state owned personal and real* [all] property [(including any interest in real property)] of the state which is not needed or has become unsuitable for public use, or would be more suitable consistent with the public interest

for some other use, as determined by the Commissioner of Finance. *In the case of real property,* [T] the determination of the Commissioner of Finance shall be set forth in an order, and shall be reached only after review of a written request by the agency desiring to dispose of the property. Such request shall describe the *real* property and state the reasons why the agency believes disposal should be effected. All instruments required by law to be recorded which convey any interest in any such real property so disposed of shall be executed and signed by the Commissioner of Finance and approved by the Governor. Unless the Commissioner of Finance deems it in the best interest of the state to proceed otherwise, all such property (including any interests in real property) shall be sold either by invitation of sealed bids or by public auction, provided however that the selling price of any interest in real property shall not be less than the appraised value thereof as determined by the Department of Revenue, or Department of Highways for such requirements of that department.

(7) [(8)] Except as provided in KRS Chapters 175, 176, 177 and 180, the Division of *Properties* [Purchases] shall purchase or otherwise acquire all real property determined to be needed for state use, upon the approval of the Commissioner of Finance as to the determination of need and as to the action of purchase or other acquisition, provided that the amount paid shall not exceed the appraised value as determined by the Department of Revenue, Department of Highways (for such requirements of that Department), or value set by eminent domain procedure.

(8) [(9)] Real property or any interest therein may be purchased, leased, or otherwise acquired from any officer or employe of any agency of the state upon a finding by the Division of *Properties* [Purchases], based upon a written application by the head of the agency requesting the purchase, and approved by the Commissioner of Finance and the Governor, that the employe has not either himself or through any other person influenced or attempted to influence either the agency requesting the purchase of the property or the Division of *Properties* [Purchases] in connection with such acquisition. In any case in which such an acquisition is consummated, the said request and finding shall be recorded and kept by the Secretary of State along with the other

documents recorded pursuant to the provisions of KRS Chapter 56.

(9) [(10)] The *department* [Division of Purchases] shall maintain records of all purchases [and sales] made under its authority and shall make periodic summary reports of all transactions to the Commissioner of Finance, the Governor, and the General Assembly. The *department* [division] shall also report trends in costs and prices, including savings realized through improved practices, to the above authorities.

(10) [(11)] The *department* [Director of the Division of Purchases] shall attempt in every practicable way to insure the state's supplying its real needs at the lowest possible cost.

HB 305, AN ACT making an appropriation for the Interstate Compact on Education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is hereby appropriated from the General Expenditure Fund for Kentucky's share of expenses of the Interstate Compact for Education the sum of $10,500 for the fiscal year 1970-71 and the sum of $10,500 for the fiscal year 1971-72.

HB 453, AN ACT relating to the Kentucky Employes Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 61.525 of the Kentucky Revised Statutes is amended to read as follows:

Membership in the system shall consist of the following:

(1) All persons who become employes of a participating department after the date such department first participates in the system; and

(2) All persons who are employes of a department on the date the department first participates in the system, either in service or on authorized leave from service, and who elect within six months following such department's participation, or in the

case of persons on authorized leave, within six months of their return to active service, to become members and thereby agree to make contributions as provided in KRS 61.510 to 61.700[.]; *and*

(3) All persons who are employes of any credit union whose membership is limited to employes of state government.

Section 2. A new section of KRS 61.510 to 61.700 is created to read as follows:

A credit union whose employes are eligible for membership in the system as provided in Section 1 of this Act may make employer's contributions to the system on behalf of its employes.

The Committee Amendment to **HB 453** is as follows:

Amend printed copy of House Bill 453 on page 2, line 7 by: changing the word "may" to "shall"

HB 551, AN ACT relating to the Personnel Board.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 18.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) There shall be created by KRS 18.110 to 18.340 a Department of Personnel headed by a Personnel Board in which shall be vested the constitutional powers and responsibilities of officers of the Commonwealth. The Personnel Board shall consist of five members appointed by the Governor for four year terms. *The Kentucky League of Women Voters, the Kentucky State Bar Association and the Kentucky Municipal League shall each submit to the Governor, within forty-five days after the day of his election a list of six* [, and the Governor shall select] citizens of Kentucky known for their devotion to the merit principle in government employment and the improvement of management and professional development of the public service of the state. *No person shall be eligible to be appointed to the board unless (a) his name appears on one of the lists submitted for the term of the Governor making the appointment, or (b) he is being appointed to succeed himself as a member of the board.* No member of the Personnel Board shall be otherwise an employe or of-

ficer of the Commonwealth except faculty or staff members of the University of Kentucky or the state college *or universities.* No member of the Personnel Board shall be a member of any local, state, or national committee of a political party, or an officer or member of a committee in any partisan political club or organization, or shall be or have been a candidate for any elective office within one year prior to appointment. Members of the Personnel Board shall receive compensation of forty dollars per diem and reimbursement of travel expenses and other special expenses for each called meeting of the board which they attend. If any board member misses [three consecutive] meetings *for three consecutive months* for any reason other than illness or temporary absence from the Commonwealth, he shall be deemed to have vacated his office and the Governor shall proceed forthwith to appoint a successor to his unexpired term *in the same manner as provided for appointment to full terms.*

(2) *Those persons who are members of the board on the effective date of this Act shall serve the remainder of the terms for which they were appointed. Within forty-five days of the effective date of this Act the Kentucky League of Women Voters, the Kentucky State Bar Association and the Kentucky Municipal League shall each submit to the Governor a list of six names as provided in subsection (1). Subsequent appointments shall be made in the manner provided in subsection (1).* [The members of the first board shall be appointed by the Governor within thirty days of July 1, 1960. Of the members first appointed, one shall serve until January 1, 1961, one until January 1, 1962, one until January 1, 1963, and two until January 1, 1964, Thereafter,] Each term shall run for four years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy prior to the expiration of such a term shall be appointed for the remainder of the term. Each member of the board shall hold office until his successor is appointed and qualifies.

(3) Members of the Personnel Board may be removed by the Governor only for cause after being given a copy of charges against them and an opportunity to be heard publicly, with the advice of counsel, on such charges against them before the Governor and a finding of fact by the Governor. A copy of the

charges and transcript of the record of the hearing and findings of fact shall be filed with the Secretary of State.

(4) The Personnel Board shall annually elect one of its members chairman. It shall meet at such time and place as shall be specified by call of the chairman or the Commissioner of Personnel. At least one meeting shall be held each month. All meetings shall be open to the public. Notice of each meeting shall be given in writing to each member by the Commissioner of Personnel at least three days in advance of the meeting. Three voting members shall constitute a quorum for the transaction of business. The Personnel Board shall keep records and minutes of its business and official actions, with the Commissioner of Personnel serving as secretary. Such minutes shall be public records open to public inspection, subject to such reasonable rules as to hours and conditions of inspection as the board may establish. It shall be the duty of the officer or officers charged by law with the custody of the state buildings, upon written request of the Personnel Board, to assign suitable office space for executing the duties charged to it and to the Commissioner of Personnel.

Section 2. Section 18.170 of the Kentucky Revised Statutes is amended to read as follows:

It shall be the duty of the Personnel Board to:

(1) Adopt comprehensive rules consistent with the provisions of KRS 18.110 to 18.340, and with federal standards for the administration of a personnel system in the agencies of the state government receiving federal grants;

(2) Present to the Governor, through the Commissioner of Finance, for his adoption such classification and compensation plans for the state service, provision for vacation, sick and special leave and hours of work, together with rules for their administration, as recommended by the Commissioner of Personnel and the Board after a thorough survey of the personnel and departmental organizations included in such plan or plans;

(3) Make investigations, either on petition of a citizen, taxpayer, interested party, or on its own motion, concerning the enforcement and effect of KRS 18.110 to 18.340, and to require observance of its provisions and the rules and regulations made

pursuant thereto; and to make such investigation as may be requested by the General Assembly or the Governor and to report thereon;

(4) Hear appeals *individually, in groups of two or more, as a Board, or by hearing officers,* from applicants for positions for which examinations are being or have been conducted, from eligibles on examination registers, and from officers or employes serving under the personnel system created by KRS 18.110 to 18.340, as hereinafter provided, *and review decisions of hearing officers or less than a majority of the board on such appeals,* subject to the procedural rules which the board may adopt pursuant to the provisions of this section;

(5) Promote public understanding of merit principles in government service;

(6) Make annual reports to the Governor and biennial reports to the General Assembly, which reports shall be a public record freely available to those persons interested in obtaining a copy;

(7) Advise the Governor and the Commissioner of Personnel with respect to the administration of the personnel system created by KRS 18.110 to 18.340;

(8) Consider and act on such matters as may be referred to the board by the Commissioner of Personnel; [and]

(9) Represent the public interest in the improvement of personnel administration in the state service, and advise and assist the Commissioner of Personnel in fostering the interest of institutions of learning and of civic, professional, and employe organizations in the improvement of personnel standards in the state service [.]; *and*

(10) Appoint hearing officers in such numbers as the Board finds is necessary to assure prompt hearings on all appeals. The Board shall establish qualifications for the hearing officers by regulation. Decisions of less than a majority of the board or of hearing officers shall have no force or effect until reviewed and approved by the Board at a called meeting of the Board.

Section 3. Section 18.270 of the Kentucky Revised Statutes is amended to read as follows:

Any classified employe who is dismissed, demoted, suspended, or otherwise penalized after completing his probationary period of service may, within thirty days after such dismissal, demotion, suspension or penalization appeal to the Personnel Board for review thereof. Upon such review, both the appealing employe and the appointing authority whose action is reviewed shall have the right to be heard publicly and to be represented by counsel to present evidentiary facts. At the hearing of such appeals, technical rules of evidence shall not apply. If the Personnel Board, *or hearing officer appointed by the Personnel Board,* finds that the action complained of was taken by the appointing authority for any political, religious, or ethnic reason, the employe shall be reinstated to his former position or a position of like status and pay, without loss of pay for the period of his suspension. In all other cases, the findings and recommendations of the Personnel Board, *or hearing officer appointed by the Personnel Board,* shall be submitted to the appointing authority for his consideration, who may, not later than thirty days after receipt of such findings and recommendations, reinstate the employe with or without pay for the period of the suspension, modify his original decision of suspension, demotion, or discharge, or continue his original decision. When any employe is dismissed and not reinstated after such appeal, the Personnel Board in its discretion may direct that his name be placed on an appropriate re-employment list, for employment in any similar position other than the one from which he had been removed. Any action or decision taken or made hereunder shall be final and not subject to judicial review.

Section 4. Section 18.280 of the Kentucky Revised Statutes is amended to read as follows:

The Personnel Board, each member of the Personnel Board, *each hearing officer appointed by the Personnel Board,* and the commissioner shall have the power to administer oaths, subpoena witnesses, and compel the production of books and papers pertinent to any investigation or hearing authorized by KRS 18.110 to 18.340. Any person who shall fail to appear in response to a subpoena or to answer any question or produce any books or papers pertinent to any such investigation or hearing or who shall knowingly give false testimony therein shall be guilty of a misdemeanor.

Section 5. A new section of Chapter 18 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person who promises, offers, gives or causes or procures to be promised, offered or given any money or other thing of value, or makes or tenders any contract, obligation, gratuity or security for the payment of money or for the delivery or conveyance of anything of value, to any member of the Personnel Board, or to any hearing officer or employe of the Personnel Board, or otherwise attempts to improperly influence an official act of such member, officer or employe, with intent to influence his vote or decision on any question, matter, cause or proceeding pending before the Personnel Board or before such officer, shall be fined not less than fifty dollars nor more than one thousand dollars, or confined in the penitentiary for not less than one nor more than five years, or both.

(2) Any member of the Personnel Board, any hearing officer or employe of the Personnel Board, who takes or agrees to take any bribe to do or omit to do any act in his official capacity shall be fined not less than fifty dollars nor more than one thousand dollars, or confined in the penitentiary for not less than one nor more than five years, and shall forfeit his office or employment and shall be disqualified from the right of suffrage for ten years.

HB 598, AN ACT relating to state publications.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

As used herein, unless the context otherwise requires:

(1) "Committee" means the State Committee for Publications.

(2) "State agency" means any state administrative body, agency, department, or division as defined in KRS Chapter 12, or any board, commission, institution, university or college exercising any function of the state, other than the Department of Public Information.

(3) "Publication" means any report, book, newspaper,

newsletter, bulletin, brochure, pamphlet, compilation, magazine, chart, diagram or map, other than the bills, journals and Acts of the General Assembly, whether printed, engraved, lithographed or offset and any motion pictures, video tapes film strips, or other audio-visual materials except those produced in the normal conduct of business by the Kentucky Educational Television Authority.

Section 2. A new section of Chapter 153 of the Kentucky Revised Statutes is created to read as follows:

(1) There shall be a State Publications Committee, composed of the Governor, the State Treasurer, the Commissioner of Finance, the Commissioner of Public Information, the Superintendent of Public Instruction, and the Director of the Legislative Research Commission, or their designated representatives. The Commissioner of Public Information shall serve as chairman, and shall provide a secretary from his staff and the facilities of his Department for the maintenance of the committee's records.

(2) The committee shall develop a policy of state publications, relevant to the control of the expenditures of state funds for such publications, and shall issue rules and regulations pursuant to KRS Chapter 13 establishing guidelines and procedural controls over the number, purpose, quality, quantity and distribution of publications created by the expenditure of public funds.

(3) State funds shall not be expended by any state agency for producing or distributing any publication costing in excess of three hundred dollars in any fiscal year, unless the publication has the prior approval of the committee.

(4) Applications for committee approval of publications shall be in writing, and shall contain a description of the purpose, content, estimated cost and statutory authorization of the publication, and such other information as the committee may require by the adoption of rules and regulations to implement the provisions of this Act.

(5) The committee may grant, condition or refuse the application, and determine the quality and maximum cost of the publication. Unless the publication is required by statute to be published in a specific quantity, the committee shall establish the quantity of copies to be published.

(6) The committee may determine what parts, if any, of the annual or biennial reports of any state agency shall be printed and distributed at public expense.

(7) The provisions of any statute requiring that copies of annual or biennial reports of state agencies shall be filed with or distributed to the General Assembly or its members, shall be deemed satisfied upon the agency's filing of ten copies thereof with the Legislative Research Commission, provided however, that the annual report of the Department of Revenue, the Annual Financial Report of the Department of Finance and the Biennial Budget Report shall be distributed to each individual member of the General Assembly.

(8) The committee shall report its activities to the Governor and Legislative Research Commission every six months.

HB 625, AN ACT relating to the allocation of amounts recovered by the Attorney General in Federal antitrust actions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

Civil penalties, fines, and money judgments recovered by the Attorney General in litigation on behalf of the Commonwealth of Kentucky under the Federal Antitrust laws where consistent with court order shall be deposited in the State Treasury to the credit of the General Expenditure Fund, except that there shall be deposited to the credit of a Trust and Agency Fund to be available for the general operation of the Department of Law the following portions of such receipts: for the fiscal year 1969-70, the first $100,000 thereof; for the fiscal year 1970-71, the first $160,000 thereof; for the fiscal year 1971-72, the first $160,000 thereof. Any balance remaining in this Trust and Agency Fund for the Department of Law at the close of any fiscal year shall not lapse, but shall continue into the next fiscal year.

HB 630, AN ACT relating to regulation of pricing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 365 of the Kentucky Revised Statutes is created to read as follows:

Any commodity sold, exposed for sale or offered for sale at retail, shall be plainly marked by stamp, tag, label, or sign at the point of display as follows:

(1) Any commodity, whether edible or inedible, sold by weight, standard measure, or numerical count, shall be marked so as to display its total selling price.

(2) The following commodities, however packaged or contained, when offered for retail sale shall indicate the appropriate price per measure as well as the total selling price:

(a) Meat and fish;

(b) Cereals and bread;

(c) Cooking oils;

(d) Carbonated soft drinks and beer; and

(e) Napkins, facial tissue and toilet tissue.

(3) The appropriate price per measure shall be defined as:

(a) The price per pound for non-liquid items measured by weight.

(b) The price per quart for liquids.

(c) The price per fifty units for non-liquid products sold by numerical count.

The appropriate price per measure shall be indicated to the nearest whole cent. The price per measure of a commodity shall be conspicuously, plainly and clearly shown by a stamp, tag or label on the commodity or on the shelf on which it is displayed, or by a sign or list of prices per measure posted at or near the point of display. A sign or list of prices per measure posted in the aisle where the commodity is displayed shall be deemed to be "near" the commodity and in compliance with this section.

HB 651, AN ACT relating to mobile homes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 190.180 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 190.180 to 190.250 unless the context otherwise requires:

(1) "Mobile home" means any movable or portable dwelling constructed to be towed on its own chassis, connected to utilities, and designed *to be used with or* without a permanent foundation for year-round living. It can consist of one or more units that can be telescoped when towed and expanded later for additional capacity, or of two or more units separately towable but designed to be joined into one integral unit. As used herein, mobile home shall include a house-trailer or camping trailer as defined in KRS Ch. 186 and shall include travel trailer, pick-up coach and auto camper.

(2) "Travel trailer" means any vehicular, portable structure built on a chassis, designed to be used as a temporary dwelling for travel, recreational and vacation use, permanently identified "Travel Trailer" by the manufacturer on the trailer. When factory equipped for the road, it has a body width not exceeding eight feet and a body length not exceeding thirty-two feet.

(3) "Pick-up coach" means a structure designed primarily to be mounted on a pick-up truck or truck chassis and with sufficient equipment to render it suitable for use as a temporary dwelling for travel, recreational and vacation uses.

(4) "Auto camper" means a light-weight unit that fits on top of the family automobile and into the trunk, with the cover removed.

(5) "Mobile home dealer" means any person engaged in the business of selling, exchanging, buying, offering or attempting to negotiate a sale or exchange of mobile homes. Any person who sells, exchanges, buys, offers or attempts to negotiate a sale or exchange of three or more, new or used, mobile homes in any one calendar year shall, prima facie, be deemed to be engaged in the business of selling, exchanging, buying, offering or attempting to negotiate a sale or exchange of mobile homes.

(6) "Manufacturer" means any person, resident or nonresident, who manufactures or assembles mobile homes.

(7) "Commissioner" means the Commissioner of Motor Transportation.

(8) "Department" means the Department of Motor Transportation.

(9) "Established place of business" means a fixed and permanent place of business in this state, including an office building and hard surface lot of suitable character and adequate facilities and qualified personnel, for the purpose of performing the functional business and duties of a mobile home dealer, which shall include the books, records, files and equipment necessary to properly conduct such business, or a building having sufficient space therein to properly show and display the mobile homes being sold and in which the functional duties of a mobile dealer may be performed. The place of business shall not consist of a residence, tent, temporary stand or open lot. It shall display a suitable sign identifying the dealer and his business.

(10) "Board" means the Kentucky Mobile Home Dealers License Board.

(11) "Person" means a person, partnership, firm, corporation or association.

Section 2. Section 190.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) No mobile home dealer shall engage in business as such in this state without a license therefor as provided in KRS 190.180 to 190.250.

(2) No manufacturer of mobile homes shall engage in business as such in this state, or import mobile homes into this state, without a license therefor as provided in KRS 190.180 to 190.250.

(3) Application for license shall be made to the commissioner, at such time, in such form and contain such information as the *board* [commissioner] shall require and shall be accompanied by the required fee. The *board* [commissioner] *shall* [may] require in such application, or otherwise, information relating to the applicant's solvency, his financial standing or other pertinent matter commensurate with the safeguarding of the public interest in the locality in which said applicant pro-

poses to engage in business, all of which may be considered by the *board* [commissioner] in determining the fitness of said applicant to engage in business as set forth in KRS 186.695, 190.180 to 190.250 and 190.991. *The license shall be issued by the commissioner only after the statutory provisions and standards promulgated by the board have been met.*

(4) All licenses shall be granted or refused within *forty-five* [thirty] days after application therefor, and shall expire, unless sooner revoked or suspended, on December 31 of the calendar year for which they are granted.

(5) The license fee for such calendar year, or part thereof, shall be as follows, effective June 16, 1966:

(a) For mobile home dealers, fifty dollars for each established place of business.

(b) For mobile home manufacturers, fifty dollars.

(6) The licenses of mobile home dealers shall specify the location of the established place of business and must be conspicuously displayed there. In case such location be changed, the commissioner shall indorse the change of location on the license without charge if it be within the same municipality. A change of location to another municipality shall require a new license.

(7) The *board* [department] may by *department* regulation require *a* [each] mobile home dealer to furnish and maintain with the department a bond, with corporate surety, in the sum of $10,000 in such form as required by the commissioner, conditioned upon such mobile home dealer complying with the provisions of the statutes applicable to the licensee and as indemnity for any loss sustained by any person by reason of any acts of the licensee constituting grounds for suspension or revocation of his license hereunder. The bond shall be executed in the name of the Commonwealth of Kentucky for the benefit of any aggrieved parties, but the penalty of said bond shall not be invoked except after a court adjudication thereof. The above bonding requirements shall [not] apply to manufacturers.

(8) Every mobile home dealer licensed in accordance with the provisions of this section shall make reports to the commissioner at such intervals and showing such information as the

board [commissioner] may require. *This information shall be made available to the board at its request.*

Section 3. Section 190.200 of the Kentucky Revised Statutes is amended to read as follows:

The department shall issue the licenses provided for herein, and shall have supervision over the licenses hereunder in respect to all the provisions of KRS 186.695, 190.180 to 190.250 and 190.991 *subject to the authority granted the board herein.*

Section 4. Section 190.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) A license may be denied, suspended or revoked on the following grounds:

(a) Proof of financial or moral unfitness of applicant;

(b) Material misstatement in application for license;

(c) Willful failure to comply with any provisions of this section or any rule or regulation promulgated [by the commissioner] under KRS 186.695, 190.180 to 190.250 and 190.991;

(d) Willfully defrauding any retail buyer to the buyer's damage;

(e) Willful failure to perform any written agreement with any buyer;

(f) Failure to have or to maintain an established place of business;

(g) Failure to furnish or maintain the required bond;

(h) Having made a fraudulent sale, transaction or repossession;

(i) Employment of fraudulent devices, methods or practices in connection with the requirements under the statutes of this state with respect to the retaking of goods under retail installment contracts and the redemption and resale of such goods;

(j) Being a mobile home dealer and having acquired ownership of a mobile home, by trade or otherwise, fails to *register* [put the title to] said mobile home in his name [;] *within fifteen days after acquiring ownership;*

(k) Having violated any law relating to the sale or financing of mobile homes;

(l) Being a manufacturer of mobile homes, *either within or without the state, and* having shipped or imported into this state, *or transported within the state,* for sale any mobile home so constructed as to fail to comply with the American Standard Installation of Plumbing, Heating, and Electrical Systems in Mobile Homes, as approved by the American Standards Association, Incorporated, as of March 12, 1963;

(m) Being a manufacturer of mobile homes, *either within or without the state, and* having shipped or imported into this state, *or transported within the state, or having sold,* a mobile home to any person other than a duly licensed mobile home dealer.

(2) If a licensee is a firm or corporation, it shall be sufficient cause for the denial, suspension or revocation of a license that any officer, director or trustee of the firm or corporation, or any member in case of a partnership, has been guilty of any act or omission which would be cause for refusing, suspending or revoking a license to such party as an individual. Each licensee shall be responsible for any or all of his salesmen while acting as his agent, if such licensee approved of or had knowledge of said acts or other similar acts and after such approval or knowledge retained the benefits, proceeds, profits, or advantages accruing from said acts or otherwise ratified said acts.

Section 5. Section 190.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The *board* [commissioner] may without notice deny the application for a license within *forty-five* [thirty] days after receipt thereof by written notice to the applicant, stating the grounds for such denial.

(2) No license shall be suspended or revoked by the *board* [commissioner] except after a hearing thereon. The commissioner shall give the licensee at least thirty days' notice of the time and place of hearing *by the board* and of the charges against it.

(3) [Any person aggrieved by any ruling of the commissioner denying a license, or suspending or revoking a license;

within fifteen days after any such ruling of the commissioner may appeal such ruling to the board herein provided for. Such appeal shall be in writing. The board shall state in writing, officially signed by all the members concurring therein, its findings and determination after such hearing and its order in the matter. If the board shall determine and order that any applicant is not qualified to receive a license, no license shall be granted.] If the board shall determine that the licensee has willfully or through gross negligence been guilty of a violation of any of the provisions of subsection (1) of KRS 190.210, his license may be suspended or revoked.

(4) Any person aggrieved by any ruling of the board may appeal to the Franklin Circuit Court and to the Court of Appeals in the manner provided for by KRS 281.780 and 281.785.

Section 6. Section 190.240 of the Kentucky Revised Statutes is amended to read as follows:

There is hereby established the Kentucky Mobile Home Dealers License Board which shall consist of the commissioner [, who shall be its chairman,] and four members appointed by the Governor. No person shall be appointed a member by the Governor unless at the time of his appointment he is a duly licensed mobile home dealer and has been engaged in the business as such for a period of not less than three years. *The original appointments by the Governor of the aforesaid four members shall be for terms of one, two, three and four years respectively. Thereafter,* the term for each member shall be four years. The action of the majority of the members of the board shall be deemed the action of the board. No person may act as a member of the board while holding any other elective or appointive state or federal office except the commissioner. *The chairman of the board shall be elected by the board.* All appointed members of the board shall be *compensated at the rate of $50.00 per day, and shall be reimbursed for all necessary travel and lodging expenses incurred* [serve without compensation]. The *members of the* board shall report to the *chairman of the board* [commissioner] any violations of KRS 186.695, 190.180 to 190.250 and 190.991 [, and shall advise with the commissioner upon the issuance of any licenses hereunder].

Section 7. Section 190.250 of the Kentucky Revised Statutes is amended to read as follows:

The commissioner, *subject to the approval of the board,* may make such rules and regulations as he shall deem necessary or proper for the effective administration and enforcement of KRS 186.695, 190.180 to 190.250 and 190.991.

HB 669, AN ACT relating to conflict of interest.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 61.096 of the Kentucky Revised Statutes is amended to read as follows:

(1) No member of the General Assembly, or officer or employe thereof, or officer or employe of an agency as defined in KRS 61.094, shall knowingly receive or agree to receive, directly or indirectly, compensation for any services to be rendered, either by himself or another, in negotiations with the state or an agency for the purchase by the state or an agency of an interest in real property. This section shall not apply to appearances before any court, except that negotiations shall be prohibited as aforesaid at any time.

(2) No member of the General Assembly, or officer or employe of an agency, may be in any manner interested, either directly or indirectly, in his own name or in the name of any other person, association, trust, or corporation, in any contract for the performance of any work in the making or letting or administration of which such officer or employe may be called upon to act or vote. No such officer or employe may represent, either as agent or otherwise, any person, association, trust or corporation, with respect to any application or bid for any contract or work in regard to which such officer or employe may be called upon to act or vote. Nor may any such officer or employe take, solicit or receive, either directly or indirectly, any money or other thing of value as a gift or bribe or means of influencing his vote or action in his official character. Any contract made and procured in violation hereof is void. For the purposes of this section the holding of less than five percent of the stock of a corporation is not considered an interest.

(3) No member of the General Assembly, officer or employe thereof or officer or employe of any agency shall, for compensation, appear before an agency as an expert witness.

(4) No member of the General Assembly, officer or employe thereof, or officer or employe of any agency, shall act as officer or agent for the Commonwealth or any agency in the transaction of any business with himself, or with any corporation, company, association or firm in which he or his spouse has any interest greater than five percent, of the total value thereof.

(5) No member of the General Assembly may accept any appointment as an officer or employe of the Commonwealth or any agency unless he shall have first resigned his membership in the General Assembly, and it shall be unlawful for the State Treasurer to pay any salary by reason of such appointment until the resignation has been accepted by the officer having a duty to call a special election to fill the particular vacancy thereby created in the General Assembly.

(6) No member of the Legislature, officer or employe of an agency or appointee shall knowingly himself or by his partners or through any corporation which he controls or in which he owns or controls more than ten percent of the stock, or by any other person for his use or benefit or on his account, undertake, execute, hold or enjoy, in whole or in part, any contract, agreement, sale or purchase of the value of twenty-five dollars or more, made, entered into, awarded or granted by any agency, unless said contract, agreement, sale or purchase was made or let after public notice and competitive bidding [.], *provided, however, this subsection shall not apply to persons who are members of a trade or profession and members of which must first be licensed by the Commonwealth of Kentucky before engaging in that trade or profession, and where the established ethics of that trade or profession prohibits the members thereof from engaging in competitive bidding among themselves, and the type of work or services sought by the agency is that offered by the licensed officer, employe or appointee.*

(7) No officer, employe or appointee of an agency, including persons who serve without salary or other payment for their services, shall knowingly receive or agree to receive, directly or indirectly, compensation for any services rendered or to be

rendered, either by himself or another, in any cause, proceeding, application or other matter which is before said agency or before the department of state government in which said agency functions.

The Committee on Judiciary reported **HB 289** with Committee Substitute attached thereto, **HB 344, HB 378** with Committee Amendments attached thereto, **HB 488, HB 512, HB 537** with Committee Amendments attached thereto, **HB 538, SB 35, SB 138, SB 149, SB 150** and **SB 172** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 289, AN ACT relating to jurisdiction of courts.

WHEREAS, the 1968 General Assembly enacted KRS 454.210, the "Long-arm Statute"; and

WHEREAS, experience under the statute and further study have shown areas in which the law should be revised, and have also shown where the statute might be well extended;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 454.165 of the Kentucky Revised Statutes is amended to read as follows:

No personal judgment shall be rendered against a defendant constructively summoned, and who has not appeared in the action, except as provided in KRS *Ch. 188, 304.576 to 304.579,* 454.210 [.], *and 454.265 and 454.270.*

Section 2. Section 454.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in this section, "person" includes an individual, his executor, administrator, or other personal representative, or a corporation, partnership, association, or any other legal or commercial entity, who is a nonresident of this Commonwealth *at the time an action is filed under this section.*

(2) (a) A court may exercise personal jurisdiction over a

person who acts directly or by an agent, as to a claim arising from the person's:

1. Transacting any business in this Commonwealth;

2. Contracting to supply services or goods in this Commonwealth;

3. Causing tortious injury by an act or omission in this Commonwealth;

4. Causing tortious injury in this Commonwealth by an act or omission outside this Commonwealth if he regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered in this Commonwealth, provided that the tortious injury occurring in this Commonwealth arises out of the doing or soliciting of business or a persistent course of conduct or derivation of substantial revenue within the Commonwealth;

5. Causing injury in this Commonwealth to any person by breach of warranty expressly or impliedly made in the sale of goods outside this Commonwealth when the seller knew such person would use, consume, or be affected by, the goods in this Commonwealth, if he also regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered in this Commonwealth;

6. Having an interest in, using, or possessing real property in this Commonwealth, providing the claim arises from the interest in, use of, or possession of the real property, provided, however, that such in personam jurisdiction shall not be imposed on a nonresident who did not himself voluntarily institute the relationship, and did not knowingly perform, or fail to perform, the act or acts upon which jurisdiction is predicated;

7. Contracting to insure any person, property, or risk located within this Commonwealth at the time of contracting; [.]

8. Being the spouse of person who has been a continuous resident of this Commonwealth for a period of at least one year last past, as to all obligations arising for alimony, child support,

or property settlement, if the other party to the marital relationship continues to reside in this Commonwealth, in an action:

a. For absolute divorce

b. For divorce from bed and board

9. Being the natural or legal parent of a child who is living in this Commonwealth, in an action:

a. For adoption of the child, or

b. For termination of the parental rights of the child's parent or parents.

(b) When jurisdiction over a person is based solely upon this section, only a claim arising from acts *or relationships* enumerated in this section may be asserted against him.

(3) (a) When personal jurisdiction is authorized by this section, service of process may be made on such person, or any agent of such person, in any county in this Commonwealth, where he may be found, or on the Secretary of State who, for this purpose, shall be deemed to be the statutory agent of such person.

(b) The process shall be served, by the officer to whom the same is directed, or by the sheriff of Franklin County, who may be deputized for such surposes by the officer to whom the service is directed, upon the Secretary of State by leaving at the office of the Secretary of State [, at least fifteen days before the return day of such process,] a true and attested copy thereof, and by sending to the defendant, by registered mail, postage prepaid, a like true and attested copy, with an indorsement thereon of the service upon said Secretary of State, addressed to such defendant at his last known address. The registered mail return receipt of such defendant shall be attached to and made a part of the return of service of such process.

(4) When the exercise of personal jurisdiction is authorized by this section, any *action* [section] or suit may be brought in the county [wherein the plaintiff resides or] where the cause of action or any part thereof arose.

(5) A court of this Commonwealth may exercise jurisdiction on any other basis authorized in the Kentucky Revised Statutes or by the Rules of Civil Procedure, notwithstanding this section.

Committee Substitute, HB 289, AN ACT relating to jurisdiction of courts.

WHEREAS, the 1968 General Assembly enacted KRS 454.210, the "Long-arm Statute"; and

WHEREAS, experience under the statute and further study have shown areas in which the law should be revised, and have also shown where the statute might be well extended;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 454.165 of the Kentucky Revised Statutes is amended to read as follows:

No personal judgment shall be rendered against a defendant constructively summoned, and who has not appeared in the action, except as provided in KRS *Chapters 188, 304.576 to 304.579,* 454.210, *and 454.265 and 454.270.*

Section 2. Section 454.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in this section, "person" includes an individual, his executor, administrator, or other personal representative, or a corporation, partnership, association, or any other legal or commercial entity, who is a nonresident of this Commonwealth *at the time an action is filed under this section.*

(2) (a) A court may exercise personal jurisdiction over a person who acts directly or by an agent, as to a claim arising from the person's:

1. Transacting any business in this Commonwealth;

2. Contracting to supply services, *benefits* or goods in this Commonwealth;

3. Causing tortious injury by an act or omission in this Commonwealth;

4. Causing tortious injury in this Commonwealth by an act or omission outside this Commonwealth if he regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or con-

sumed or services rendered in this Commonwealth, provided that the tortious injury occurring in this Commonwealth arises out of the doing or soliciting of business or a persistent course of conduct or derivation of substantial revenue within the Commonwealth;

5. Causing injury in this Commonwealth to any person by breach of warranty expressly or impliedly made in the sale of goods outside this Commonwealth when the seller knew such person would use, consume, or be affected by, the goods in this Commonwealth, if he also regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered in this Commonwealth;

6. Having an interest in, using or possessing real property in this Commonwealth, providing the claim arises from the interest in, use of, or possession of the real property, provided, however, that such in personam jurisdiction shall not be imposed on a nonresident who did not himself voluntarily institute the relationship, and did not knowingly perform, or fail to perform, the "ACT OR" acts upon which jurisdiction is predicated;

7. Contracting to insure any person, property, or risk located within this Commonwealth at the time of contracting;

8. Being the spouse of person who has been a continuous resident of this Commonwealth for a period of at least one year last past, as to all obligations arising for alimony, child support, or property settlement, if the other party to the marital relationship continues to reside in this Commonwealth, in an action:

a. For absolute divorce

b. For divorce from bed and board

9. Being the natural or legal parent of a child who is living in this Commonwealth, in an action:

a. For adoption of the child, or

b. For termination of the parental rights of the child's parent or parents.

(b) When jurisdiction over a person is based solely upon this section, only a claim arising from acts *or relationships* enumerated in this section may be asserted against him.

(3) (a) When personal jurisdiction is authorized by this section, service of process may be made on such person, or any agent of such person, in any county in this Commonwealth, where he may be found, or on the Secretary of State who, for this purpose, shall be deemed to be the statutory agent of such person.

(b) The process shall be served upon the Secretary of State of the Commonwealth by leaving at the office of such Secretary of State a summons directed to the defendant, together with a copy of the complaint, together with an affidavit showing the last known address of the defendant, or, if the address of the defendant be unknown by the plaintiff, an affidavit stating such fact. The Secretary of State shall immediately mail the copy of the summons and complaint to the defendant at the address given in the affidavit. The mailing shall be by prepaid registered mail and shall bear the return address of the Secretary of State. The sheriff shall make the usual return to the court, and, in addition, the Secretary of State shall make the return to the court showing that the act required by this statute has been performed and attach to his return the registry receipt, if any. Summons shall be deemed to be served on the return of the Secretary of State and the action may proceed as provided in the Rules of Civil Procedure.

[The process shall be served, by the officer to whom the same is directed, or by the sheriff of Franklin County, who may be deputized for such purposes by the officer to whom the service is directed, upon the Secretary of State by leaving at the office of the Secretary of State, at least fifteen days before the return day of such process, a true and attested copy thereof, and by sending to the defendant, by registered mail, postage prepaid, a like true and attested copy, with an indorsement thereon of the service upon said Secretary of State, addressed to such defendant at his last known address. The registered mail return receipt of such defendant shall be attached to and made a part of the return of service of such process.]

(4) The sheriff serving the summons upon the Secretary of State shall pay to him at the time of such service a fee of $2.00, which shall be considered as cost in the action. The secretary shall keep a record of each summons, including the day and hour of service upon him.

(5) [(4)] When the exercise of personal jurisdiction is authorized by this section, any *action* [section] or suit may be brought in the county [wherein the plaintiff resides or] where the cause of action or any part thereof arose.

(6) [(5)] A court of this Commonwealth may exercise jurisdiction on any other basis authorized in the Kentucky Revised Statutes or by the Rules of Civil Procedure, notwithstanding this section.

HB 344, AN ACT relating to voluntary legitimation by the putative father of a child born out of wedlock.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 408, a new section of the Kentucky Revised Statutes is created to read as follows:

(1) Jurisdiction. The circuit, juvenile, probate and county courts have concurrent jurisdiction to legitimate children on the application of the natural father residing in the county in which the application is made.

(2) Petition for legitimation. An application to legitimate a child not born in lawful wedlock is made by petition, in writing, signed by the natural father of such child, and setting forth the reasons therefor and the state and date of said child's birth as evidenced by said child's certificate.

(3) Judgment. The court, if satisfied that the action would be in the best interest of the child, may, by order embodying the petition in full and entered upon the minutes of the court, declare such child legitimate.

(4) Change of name. In cases of legitimation the name of the person sought to be legitimated may be changed on proper prayer for that purpose inserted in the petition and judgment.

(5) Clerk's fee. The clerk's fee for services in application for legitimation of children shall be Five Dollars ($5.00), to be paid by the party petitioning.

(6) Effect of legitimation. The effect of the legitimation is to create the relation of parent and child between the petitioner

and person legitimated, as if the latter had been born to the former in wedlock.

(7) Birth Certificate. When an order of legitimation has been entered, a birth certificate shall be obtained in the same manner as in an adoption proceeding as set forth in KRS 199.570.

Section 2. Section 391.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) *Unless the putative father has voluntarily obtained the legitimation of his child born out of wedlock, the* [The] estate of a bastard shall descend and be distributed in the same manner as that of a person born in lawful wedlock, except that the inheritance shall go to the mother and her kindred and not to the father and his kindred. *If the father has voluntarily obtained legitimation of the child the inheritance shall go to both the father and the mother and their kindred.*

(2) *Unless the putative father has voluntarily obtained legitimation of his child born out of wedlock, a* [A] bastard shall inherit only from his mother and his mother's kindred. *If the putative father has voluntarily obtained legitimation of the child, the bastard shall inherit from both the father and the mother and their kindred.*

(3) If a man who has had a child by a woman afterward marries her, the child or its descendants, if recognized by him before or after marriage, shall be deemed legitimate.

HB 378, AN ACT relating to the involuntary termination of parental rights.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 199.600 of the Kentucky Revised Statutes is amended to read as follows:

(1) In a proceeding involving a neglected or abandoned child, as defined in KRS 199.011, the circuit court may terminate all parental rights of the parents of such child, and declare the child to be a ward of the state, and may vest the care, custody and control of the child in the department, or in any licensed

child-caring or child-placing agency or institution, if facilities are available to receive the child if it is pleaded and proved in a private hearing that the parents have abandoned or deserted the child, or have substantially *or* [and] continuously or repeatedly *neglected the child* [refused] or *refused* [being able have neglected] to give the child parental care and protection, or that the child is neglected and that the parents *are unable for reasons of physical of mental capacity to give to the child proper care and it appears that the conditions which make them unable to do so will continue.* [have been adjudged mentally incompetent and such judgment has been in effect for not less than one year]

(2) If the circumstances described in subsection (1) of this section exist with respect to only one of the two legitimate parents, the parental rights of that parent may be terminated; in which case the child shall not be declared to be a ward of the state, unless with the voluntary consent of the other parent, or if one of the two legitimate parents has been ordered by any court of this Commonwealth to give support to the child and such parent has wilfully, substantially and continuously refused for a period of at least one year to give or pay any support, the parental rights of that parent may be terminated immediately by order of the court, in which case the child shall not be declared a ward of the state, unless with the voluntary consent of the other parent. *If it is pleaded and proved that the legal father of the child is not the natural father, his parental rights may be terminated if such action is in the best interest of the child.*

(3) In an action to terminate parental rights under this section the parents, if the child is legitimate, or the mother if the child is born out of wedlock, must be personally summoned; or where personal service cannot be made, must be constructively summoned as provided in the Rules of Civil Procedure.

(4) In the event the infant is made party defendant to the action, the boarding home or foster parent shall not be served with summons notwithstanding provisions of CR 4.04 *(3)* [4].

(5) The court may be convened at any time wherever the judge thereof may be found within his district, irrespective of the regular term for the purpose of terminating parental rights under this section, and shall complete the same as soon as possible.

(6) Proceedings under this section may be instituted upon petition by the department, any probation officer, any state or local law enforcement officer, any county or Commonwealth's attorney or a natural parent.

(7) In the event a parent who is a defendant in an action for involuntary termination of parental rights is for financial reasons unable to obtain legal representation, the court shall appoint an attorney for such person if defendant requests counsel. The court may appoint counsel for any defendant under this statute if in the opinion of the court justice will be served. Unless the attorney appointed receives a salary from a federally funded organization he shall be paid a reasonable fee for his services which shall be taxed as costs.

The Committee Amendment No. 1 to **HB 378** is as follows:

Amend printed copy of House Bill 378 on page 2, lines 12 through 16, by:

deleting by bracketing lines 12 and 13 in their entirety and by bracketing the word "parent" on line 14 and inserting in lieu thereof the following:

"the father"

and on line 16 by deleting by bracketing the word "immediately"

The Committee Amendment No. 2 to **HB 378** is as follows:

Amend printed copy of House Bill 378 on page 2, line 3, by:

deleting the words *"physical or"* and on line 5, by deleting the period following the word *"continue"* and inserting after the word *"continue"* the following:

"for the foreseeable future".

HB 488, AN ACT relating to limitation of actions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 413 of the Kentucky Revised Statutes is created to read as follows:

In any action for personal injuries or any action surviving to or brought by an executor or administrator for injuries resulting in death, whether instantaneous or otherwise, where such

injuries occurred by reason of professional negligence or defective manufacture or inspection, the statute of limitations shall not begin to run following the neglect or fault complained of until such neglect or fault was first discovered, or in the exercise of reasonable care should have been discovered.

Section 2. Section 413.135 and subsection (14) of Section 413.120 of the Kentucky Revised Statutes are repealed.

HB 512, AN ACT relating to homestead exemption.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 427.080 is hereby amended to read as follows:

(1) No sale under execution, attachment or judgment of land occupied as a homestead shall be had until the officer executing the writ or judgment has the part thereof selected by the defendant as his homestead exemption, not to exceed [one thousand] *twenty-five hundred* dollars in value, valued under oath and set apart to him by two disinterested housekeepers of the county. These appraisers shall be selected by the court or officer and if they disagree the officer making the sale shall act as umpire.

(2) The valuation shall be in writing and signed by the person making it and returned to the court. The officer shall refer to and explain the proceedings in his return on the execution, which shall be recorded in full.

HB 537, AN ACT relating to parole in misdemeanor cases.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 439.175 of the Kentucky Revised Statutes is amended to read as follows:

(1) *After the time has passed in which a motion for probation may be made,* parole may be granted to persons convicted of a misdemeanor and sentenced to jail under the *following* [same] terms and conditions: [as parole may be granted for conviction in felony cases.]

(a) The parole court shall study pertinent information in regard to the misdemeanant, including his criminal record; his conduct, attitude and employment in jail; reports of such physical and mental examinations as have been made; the circumstances of his offense; and his previous social history;

(b) The parole court shall satisfy itself that arrangements have been made for the misdemeanant's proper employment or for his maintenance and care, and that he is willing and able to fulfill the obligations of a law abiding citizen;

(c) The parole court shall order parole only for the best interest of society and not as an award of clemency, and parole shall not be considered a reduction of sentence or pardon.

(2) The power to grant parole shall be vested in the *circuit* [county] judge of the county wherein the misdemeanant may be confined. *The court may retain the misdemeanant on parole for a period of one year and during that period the parolee shall be under the supervision of and amenable to the order of the parole court.*

The Committee Amendment to **HB 537** is as follows:

Amend printed copy of House Bill 537 on page 2, line 7, by:

inserting following the word "the" and preceding the word "circuit" the following:

"either the",

and on line 7 following the word "circuit" the word "or" and on line 8 by adding the word "county" preceding the word "judge" by deleting the brackets thereon.

HB 538, AN ACT relating to persons under disability.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 387.280 is hereby amended to read as follows:

Whenever a person under disability, having no guardian or committee, is entitled to receive a sum not exceeding [one thousand] *two thousand* dollars, exclusive of interest, in any action wherein real estate has been sold or in the settlement of

any estate or from any other source, the court in which the action is pending, or, if the sum does not derive from such action, the county court, may order the sum to be paid to the persons having custody of such ward. Before entering the order, the court shall be satisfied by affidavit or oral testimony that the ward is in the custody of the person to whom it is proposed to pay the money, and the latter, upon withdrawal of the money, shall be under obligation as trustee to expend it, for the support, maintenance or education of the ward. When the order is made no bond shall be required of the person having custody of the ward and the purchaser of the real property may pay the share into court, and no lien shall remain on the property therefor and the money may be withdrawn by the person mentioned in the order without his giving bond. A release executed by the person to whom the court has ordered the sum paid shall have the same effect as a release by a duly appointed guardian or committee.

SB 35, AN ACT relating to eminent domain.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be known and may be cited as the Eminent Domain Act of 1970.

Section 2. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context clearly requires otherwise:

(1) "Condemn" means to take private property for a public purpose under the right of eminent domain;

(2) "Condemnor" shall mean and include any person, corporation or entity, including the Commonwealth of Kentucky, its agencies and departments, county, municipality and taxing district authorized and empowered by law to exercise the right of eminent domain;

(3) "Condemnee" means the owner of the property interest being taken;

(4) "Court" means the circuit court;

(5) "Property" means real or personal property, or both, of any nature or kind that is subject to condemnation;

(6) "Eminent domain" means the right of the Commonwealth to take for a public purpose and shall include the right of private persons, corporations or business entities to do so under authority of law.

Section 3. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

Whenever any condemnor cannot, by agreement with the owner thereof, acquire the property rights, privileges or easements needed for any of the uses or purposes for which the condemnor is authorized by law, including KRS 177.081 (1), to exercise its right of eminent domain, the condemnor may condemn such property, property rights, privileges or easements either in the manner otherwise provided by law or in the manner provided by the further provisions of this Act, the condemnor being authorized to elect to proceed in such authorized manner as it may select.

Section 4. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

A condemnor seeking to condemn property or the use and occupation thereof, under the provisions of this Act, shall file a verified petition in the circuit court of the county in which all or the greater portion of the property sought to be condemned is located, which petition shall state that it is filed under the provisions of this Act and shall contain, in substance:

(1) Allegations sufficient to show that the petitioner is entitled, under the provisions of applicable law, to exercise the right of eminent domain and to condemn the property, or the use and occupation thereof, sought to be taken in such proceedings;

(2) A particular description of the property and the use and occupation thereof sought to be condemned; and

(3) An application to the court to appoint commissioners to award the amount of compensation the owner of the property sought to be condemned is entitled to receive therefor.

Section 5. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

The circuit court, or, in the absence of the circuit judge from the county, the circuit court clerk, shall forthwith appoint as commissioners three impartial housekeepers of the county who are owners of land. They shall be sworn to faithfully and impartially discharge their duties under this section. The commissioners shall review the property sought to be condemned and award to the owner or owners such a sum as will fairly represent the reduction in the market value of the entire property, all of or a portion of which is sought to be condemned, said sum being the difference between the market value of the entire property immediately before the taking and the market value of the remainder of the property immediately after the taking thereof, together with the fair rental value of any temporary easements sought to be condemned. Within fifteen days from the date of their appointment, they shall return a written report to the office of the circuit court, stating the above values in their award and shall describe in their report the property sought to be condenmed.

Section 6. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

Upon the application of the petitioner, and the filing of any necessary affidavits, the clerk of the court shall issue process against the condemnees to show cause why the petitioner does not have the right to condemn the property or the use and occupation thereof sought to be condemned. The summons shall contain a statement of the amount of the award and shall state that an answer or other pleading, if any, must be filed within twenty days from date of service. The clerk shall make such orders as to non-residents and persons under disability as are required by the Rules of Civil Procedures in actions against them in the circuit court.

Section 7. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

Any answer or other pleading filed by the owner or owners in response to the summons shall be filed on or before twenty days after date of service. The answer or other response shall be con-

fined solely to the question of the right of the petitioner to condemn the property sought to be condemned, but without prejudice to the owner's right to except from the amount of the compensation awarded in the manner provided in subsection (1) of Section 9.

Section 8. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

(1) After the owner has been summoned twenty days, the court shall examine the report of the commissioners to determine whether it conforms to the provisions of Section 5. If the report of the commissioners is not in the proper form the court shall require the commissioners to make such corrections as are necessary.

(2) If no answer or other pleading is filed by the owner or owners putting in issue the right of the petitioner to condemn the property or the use and occupation thereof sought to be condemned, the court shall enter an interlocutory judgment which shall contain, in substance;

(a) A finding that the petitioner has the right, under the provisions of this Act and other applicable law to condemn the property or the use and occupation thereof;

(b) A finding that the report of the commissioners conforms to the provisions of Section 5.

(c) An authorization to take possession of the property for the purposes and under the conditions and limitations, if any, set forth in the petition upon payment to the owner or to the clerk of the court the amount of the compensation awarded by the commissioners;

(d) Proper provision for the conveyance of the title to the land and material, to the extent condemned, as adjudged therein in the event no exception is taken as provided in subsection (1) of Section 9.

(3) Any exception from such interlocutory judgment by either party or both parties shall be confined solely to exceptions to the amount of compensation awarded by the commissioners.

(4) If the owner has filed answer or pleading putting in

issue the right of the petitioner to condemn the property or use and occupation thereof sought to be condemned, the court shall, without intervention of jury, proceed forthwith to hear and determine whether or not the petitioner has such right. If the court determines that petitioner has such rights, an interlocutory judgment, as provided for in subsection (2) of this section, shall be entered. If the court determines that petitioner does not have such right, it shall enter a final judgment which shall contain, in substance:

(a) A finding that the report of the commissioners conforms to Section 5;

(b) A finding that the petitioner is not authorized to condemn the property or the use and occupation thereof for the purposes and under the conditions and limitations set forth in the petition, stating the particular ground or grounds on which the petitioner is not so authorized;

(c) An order dismissing the petition and directing the petitioner to pay all costs.

Section 9. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

(1) Within thirty days from the date of entry of an interlocutory judgment authorizing the petitioner to take possession of the property, exceptions may be filed by either party or both parties by filing with the clerk of the circuit court and serving upon the other party or parties a statement of exceptions, which statement shall contain any exceptions the party has to the award made by the commissioners. The statement of exceptions shall be tried, but shall be limited to the questions which are raised in the original statements of the exceptions, or as amended, but the owner shall not be permitted to raise any question, nor shall the court reconsider any question so raised, concerning the right of the petitioner to condemn the property. All questions of fact pertaining to the amount of compensation to the owner, or owners, shall be determined by a jury, which jury on the motion of either party shall be sent by the court, in the charge of the sheriff, to view the land and material. After a jury trial, and if possession previously has not been taken by the condemnor of the land and material condemned, it may do so upon the payment

to the owner or to the clerk of the circuit court the amount of the compensation adjudged by the circuit court to be due the owner.

(2) Appeals may be taken to the Court of Appeals from the final judgment of the circuit court as in other cases except that an appeal by the owner shall not operate as a supersedeas.

(3) The payment by the condemnor of the amount of compensation awarded and the taking possession of the lands and material condemned shall not prejudice its right to except from the award of the commissioners or the judgment of any court, nor shall the acceptance by the owner of the amount of the compensation awarded prejudice his right to except from the award of the commissioners or the judgment of any court.

(4) All costs in the circuit court shall be adjudged against the condemnor.

(5) If the condemnor takes possession of the property condemned and the amount of compensation is thereafter increased over that awarded by the commissioners, the condemnor shall pay interest to the owner at the rate of six percent per annum upon the amount of such increase from the date the condemnor took possession of the property. If the condemnor takes possession of the property condemned and the amount of compensation is thereafter decreased below that awarded by the commissioners, the condemnor shall be entitled to a personal judgment against the owner for the amount of the decrease.

(6) Upon the final determination of exceptions, or upon expiration of thirty days from entry of the interlocutory judgment if no exceptions are filed, the circuit court shall make such orders as may be proper for the conveyance of the title to the extent condemned, to the property, and shall enter such final judgment as may be appropriate.

Section 10. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

All money paid into court or paid or transferred to the clerk of a court under the provisions of this Act shall be received by the clerk of the court and held subject to the order of the court, for which the clerk and his sureties on his official bond shall be responsible to the persons entitled thereto.

Section 11. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

Where there are conflicting claimants to the land sought to be condemned and all such parties are before the court, each claimant, for the purposes of the condemnation proceeding only, shall be deemed to be an owner, and the procedure for the condemnation of the land shall be as provided in this Act except that, before the condemnor shall be entitled to take possession of the land, it shall be required to pay the compensation awarded therein to the circuit court clerk, to be held for the benefit of, and paid over to such persons as may thereafter be determined to be entitled to receive it. In such cases, the claimants may have their rights determined in a separate action, but the filing of such action or its pendency shall in no wise stay or delay said condemnation proceedings.

Section 12. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

All proceedings under this Act shall be governed by the provisions of the Rules of Civil Procedure except where the provisions of this Act specifically or by necessary implication provide otherwise.

Section 13. A new section of Chapter 416 of the Kentucky Revised Statutes is created to read as follows:

In all actions for the condemnation of lands under the provisions of this Act, except temporary easements, there shall be awarded to the landowners as compensation such a sum as will fairly represent the difference between the fair markt value of the entire tract, all or a portion of which is sought to be condemned, immediately before the taking and the fair market value of the remainder thereof immediately after the taking, including in the remainder all rights which the landowner may retain in the lands sought to be condemned where less than the fee simple interest therein is taken, together with the fair rental value of any temporary easements sought to be condemned.

SB 138, AN ACT relating to the recording of real estate mortgages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 382 of the Kentucky Revised Statutes is created to read as follows:

An instrument containing forms of convenants, conditions, obligations, powers, and other clauses of a mortgage may be recorded in the county clerk's office of any county, and the county clerk of such county, upon the request of any person, on tender of the lawful fees therefor, shall record the same. Every such instrument shall be entitled on the face thereof as a "Master form recorded by . . . (name of person causing the instrument to be recorded)." The instrument need not be acknowledged to be entitled to record.

Section 2. A new section of Chapter 382 of the Kentucky Revised Statutes is created to read as follows:

When any such instrument is recorded, the county clerk shall index the instrument under the name of the person causing it to be recorded in the manner provided for miscellaneous instruments relating to real estate.

Section 3. A new section of Chapter 382 of the Kentucky Revised Statutes is created to read as follows:

After the form mentioned in Section 1 of this Act is recorded, any of the provisions of such master form instrument may be incorporated by reference in any mortgage of real estate situated within this state, if the reference in the mortgage states that the master form instrument was recorded in the county in which the mortgage is offered for record and states the date when and the book and page or pages where the master form instrument was recorded. The recording of any mortgage which has so incorporated by reference therein any of the provisions of a master form instrument recorded as provided in this section shall have like effect as if the provisions of the master form so incorporated by reference had been set forth fully in the mortgage.

SB 149, AN ACT relating to the credit on sentence and forfeiture or denial of good time.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 197.045 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person convicted and sentenced to a state penal institution may receive a credit on his sentence of not exceeding ten days for each month served, to be determined by the *Department of Corrections* [Division of Corrections of the Department of Welfare] from the conduct of the prisoner. The department shall have the authority to forfeit any good time previously earned by the prisoner, or to deny the prisoner the right to earn good time in any amount, if during the term of imprisonment a prisoner commits any offense or violates the rules of the institution.

(2) When two or more consecutive sentences are to be served, the several sentences shall be merged and served in the aggregate for the purposes of the good time credit computation or in computing dates of expiration of sentence.

SB 150, AN ACT relating to the sentencing of persons convicted of a felony.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 431 of the Kentucky Revised Statutes is created to read as follows:

The sentencing judge shall commit to the custody of the Department of Corrections any person convicted of a felony who is sentenced to confinement in the Penitentiary.

SB 172, AN ACT to make uniform the law relating to limited partnerships.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

A limited partnership is a partnership formed by two or more persons under the provisions of Section 2 of this Act, having as members one or more general partners and one or more limited partners. The limited partners as such shall not be bound by the obligations of the partnership.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Two or more persons desiring to form a limited partnership shall

(a) Sign and swear to a certificate, which shall state

1. The name of the partnership,

2. The character of the business,

3. The location of the principal place of business,

4. The name and place of residence of each member; general and limited partners being respectively designated,

5. The term for which the partnership is to exist,

6. The amount of cash and a description of and the agreed value of the other property contributed by each limited partner,

7. The additional contributions, if any, agreed to be made by each limited partner and the times at which or events on the happening of which they shall be made,

8. The time, if agreed upon, when the contribution of each limited partner is to be returned,

9. The share of the profits or the other compensation by way of income which each limited partner shall receive by reason of his contribution,

10. The right, if given, of a limited partner to substitute an assignee as contributor in his place, and the terms and conditions of the substitution,

11. The right, if given, of the partners to admit additional limited partners,

12. The right, if given, of one or more of the limited partners to priority over other limited partners, as to contributions or as to compensation by way of income, and the nature of such priority,

13. The right, if given, of the remaining general partner or partners to continue the business on the death, retirement or insanity of a general partner, and

14. The right, if given, of a limited partner to demand and receive property other than cash in return for his contribution.

(b) File for record the certificate in the office of the clerk of the county court in the county in which the principal place of business of the partnership is located.

(2) A limited partnership is formed if there has been substantial compliance in good faith with the requirements of subsection (1) of this section.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

A limited partnership may carry on any business which a partnership without limited partners may carry on.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

The contributions of a limited partner may be cash or other property, but not services.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The surname of a limited partner shall not appear in the partnership name, unless

(a) It is also the surname of a general partner, or

(b) Prior to the time when the limited partner became such the business had been carried on under a name in which his surname appeared.

(2) A limited partner whose name appears in a partnership name contrary to the provisions of subsection (1) is liable as a general partner to partnership creditors who extend credit to the partnership without actual knowledge that he is not a general partner.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

If the certificate contains a false statement, one who suffers loss by reliance on such statement may hold liable any party to the certificate who knew the statement to be false

(1) At the time he signed the certificate, or

(2) Subsequently, but within a sufficient time before the statement was relied upon to enable him to cancel or amend the certificate, or to file a petition for its cancellation or amendment as provided in subsection (3) of Section 25 of this Act.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

A limited partner shall not become liable as a general partner unless, in addition to the exercise of his rights and powers as a limited partner, he takes part in the control of the business.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

After the formation of a limited partnership, additional limited partners may be admitted upon filing an amendment to the original certificate in accordance with the requirements of Section 25 of this Act.

Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

A general partner shall have all the rights and powers and be subject to all the restrictions and liabilities of a partner in a partnership without limited partners, except that without the written consent or ratification of the specific act by all the limited partners, a general partner or all of the general partners have no authority to

(1) Do any act in contravention of the certificate,

(2) Do any act which would make it impossible to carry on the ordinary business of the partnership,

(3) Confess a judgment against the partnership,

(4) Possess partnership property, or assign their rights in specific partnership property, for other than a partnership purpose,

(5) Admit a person as a general partner,

(6) Admit a person as a limited partner, unless the right so to do is given in the certificate,

(7) Continue the business with partnership property on the death, retirement or insanity of a general partner, unless the right so to do is given in the certificate.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) A limited partner shall have the same rights as a general partner to

(a) Have the partnership books kept at the principal place of business of the partnership, and at all times to inspect and copy any of them,

(b) Have on demand true and full information of all things affecting the partnership, and a formal account of partnership affairs whenever circumstances render it just and reasonable, and

(c) Have dissolution and winding up by decree of court.

(2) A limited partner shall have the right to receive a share of the profits or other compensation by way of income, and to the return of his contribution as provided in Sections 15 and 16 of this Act.

Section 11. A new section of the Kentucky Revised Statutes is created to read as follows:

A person who has contributed to the capital of a business conducted by a person or partnership erroneously believing that he has become a limited partner in a limited partnership, is not, by reason of his exercise of the rights of a limited partner, a general partner with the person or in the partnership carrying on the business, or bound by the obligations of such person or partnership; provided that on ascertaining the mistake he promptly renounces his interest in the profits of the business, or other compensation by way of income.

Section 12. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) A person may be a general partner and a limited partner in the same partnership at the same time.

(2) A person who is a general, and also at the same time a limited partner, shall have the rights and powers and be subject to all the restrictions of a general partner; except that, in respect to his contribution, he shall have the rights against the other members which he would have had if he were not also a general partner.

Section 13. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) A limited partner also may loan money to and transact other business with the partnership, and, unless he is also a general partner, receive on account of resulting claims against the partnership, with general creditors, a pro rata share of the assets. No limited partner shall in respect to any such claim

(a) Receive or hold as collateral security any partnership property, or

(b) Receive from a general partner or the partnership any payment, conveyance, or release from liability, if at the time the assets of the partnership are not sufficient to discharge partnership liabilities to persons not claiming as general or limited partners.

(2) The receiving of collateral security, or a payment, conveyance, or release in violation of the provisions of subsection (1) of this section is a fraud on the creditors of the partnership.

Section 14. A new section of the Kentucky Revised Statutes is created to read as follows:

Where there are several limited partners the members may agree that one or more of the limited partners shall have a priority over other limited partners as to the return of their contributions, as to their compensation by way of income, or as to any other matter. If such an agreement is made it shall be stated in the certificate, and in the absence of such a statement all the limited partners shall stand upon equal footing.

Section 15. A new section of the Kentucky Revised Statutes is created to read as follows:

A limited partner may receive from the partnership the share of the profits or the compensation by way of income stipulated

for in the certificate; provided, that after such payment is made, whether from the property of the partnership or that of a general partner, the partnership assets are in excess of all liabilities of the partnership except liabilities to limited partners on account of their contributions and to general partners.

Section 16. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) A limited partner shall not receive from a general partner or out of partnership property any part of his contribution until

(a) All liabilities of the partnership, except liabilities to general partners and to limited partners on account of their contributions, have been paid or there remains property of the partnership sufficient to pay them.

(b) The consent of all members is had, unless the return of the contribution may be rightfully demanded under the provisions of subsection (2) of this section, and

(c) The certificate is cancelled or so amended as to set forth the withdrawal or reduction.

(2) Subject to the provisions of subsection (1) of this section a limited partner may rightfully demand the return of his contribution

(a) On the dissolution of a partnership, or

(b) When the date specified in the certificate for its return has arrived, or

(c) After he has given six months' notice in writing to all other members, if no time is specified in the certificate either for the return of the contribution or for the dissolution of the partnership.

(3) In the absence of any statement in the certificate to the contrary or the consent of all members, a limited partner, irrespective of the nature of his contribution, has only the right to demand and receive cash in return for his contribution.

(4) A limited partner may have the partnership dissolved and its affairs wound up when

(a) He rightfully but unsuccessfully demands the return of his contribution, or

(b) The other liabilities of the partnership have not been paid, or the partnership property is insufficient for their payment as required by paragraph (a) of subsection (1) of this section and the limited partner would otherwise be entitled to the return of his contribution.

Section 17. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) A limited partner is liable to the partnership

(a) For the difference between his contribution as actually made and that stated in the certificate as having been made, and

(b) For any unpaid contribution which he agreed in the certificate to make in the future at the time and on the conditions stated in the certificate.

(2) A limited partner holds as trustee for the partnership

(a) Specific property stated in the certificate as contributed by him, but which was not contributed or which has been wrongfully returned, and

(b) Money or other property wrongfully paid or conveyed to him on account of his contribution.

(3) The liabilities of a limited partner as set forth in this section can be waived or compromised only by the consent of all members; but a waiver or compromise shall not affect the right of a creditor of a partnership, who extended credit or whose claim arose after the filing and before a cancellation or amendment of the certificate, to enforce such liabilities.

(4) When a contributor has rightfully received the return in whole or in part of the capital of his contribution, he is nevertheless liable to the partnership for any sum, not in excess of such return with interest, necessary to discharge its liabilities to all creditors who extended credit or whose claims arose before such return.

Section 18. A new section of the Kentucky Revised Statutes is created to read as follows:

A limited partner's interest in the partnership is personal property.

Section 19. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) A limited partner's interest is assignable.

(2) A substituted limited partner is a person admitted to all the rights of a limited partner who has died or has assigned his interest in a partnership.

(3) An assignee, who does not become a substituted limited partner, has no right to require any information or account of the partnership transactions or to inspect the partnership books; he is only entitled to receive the share of the profits or other compensation by way of income, or the return of his contribution, to which his assignor would otherwise be entitled.

(4) An assignee shall have the right to become a substituted limited partner if all the members (except the assignor) consent thereto or if the assignor, being thereunto empowered by the certificate, gives the assignee that right.

(5) An assignee becomes a substituted limited partner when the certificate is appropriately amended in accordance with Section 25 of this Act.

(6) The substituted limited partner has all the rights and powers, and is subject to all the restrictions and liabilities of his assignor, except those liabilities of which he was ignorant at the time he became a limited partner and which could not be ascertained from the certificate.

(7) The substitution of the assignee as a limited partner does not release the assignor from liability to the partnership under Sections 6 and 17 of this Act.

Section 20. A new section of the Kentucky Revised Statutes is created to read as follows:

The retirement, death or insanity of a general partner dissolves the partnership, unless the business is continued by the remaining general partners.

(1) Under a right so to do stated in the certificate, or

(2) With the consent of all members.

Section 21. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) On the death of a limited partner his executor or administrator shall have all the rights of a limited partner for the purpose of settling his estate, and such power as the deceased had to constitute his assignee a substituted limited partner.

(2) The estate of a deceased limited partner shall be liable for all his liabilities as a limited partner.

Section 22. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) On due application to a court of competent jurisdiction by any judgment creditor of a limited partner, the court may charge the interest of the indebted limited partner with payment of the unsatisfied amount of the judgment debt; and may appoint a receiver, and make all other orders, directions, and inquiries which the circumstances of the case may require.

(2) The interest may be redeemed with the separate property of any general partner, but may not be redeemed with partnership property.

(3) The remedies conferred by subsection (1) of this section shall not be deemed exclusive of others which may exist.

(4) Nothing in this Act shall be held to deprive a limited partner of his statutory exemption.

Section 23. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) In settling accounts after dissolution the liabilities of the partnership shall be entitled to payment in the following order:

(a) Those to creditors, in the order of priority as provided by law, except those to limited partners on account of their contributions, and to general partners,

(b) Those to limited partners in respect to their share of the profits and other compensation by way of income on their contributions,

(c) Those to limited partners in respect to the capital of their contributions,

(d) Those to general partners other than for capital and profits,

(e) Those to general partners in respect to profits,

(f) Those to general partners in respect to capital.

(2) Subject to any statement in the certificate or to subsequent agreement, limited partners share in the partnership assets in respect to their claims for capital, and in respect to their claims for profits or for compensation by way of income on their contributions respectively, in proportion to the respective amounts of such claims.

Section 24. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The certificate shall be cancelled when the partnership is dissolved or all limited partners cease to be such.

(2) A certificate shall be amended when

(a) There is a change in the name of the partnership or in the amount or character of the contribution of any limited partner,

(b) A person is substituted as a limited partner,

(c) An additional limited partner is admitted,

(d) A person is admitted as a general partner,

(e) A general partner retires, dies or becomes insane, and the business is continued under Section 20 of this Act,

(f) There is a change in the character of the business of the partnership,

(g) There is a false or erroneous statement in the certificate,

(h) There is a change in the time as stated in the certificate for the dissolution of the partnership or for the return of a contribution,

(i) A time is fixed for the dissolution of the partnership, or the return of a contribution, no time having been specified in the certificate, or

(j) The members desire to make a change in any other statement in the certificate in order that it shall accurately represent the agreement between them.

Section 25. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The writing to amend a certificate shall

(a) Conform to the requirements of paragraph (a) of subsection (1) of Section 2 of this Act as far as necessary to set forth clearly the change in the certificate which it is desired to make, and

(b) Be signed and sworn to by all members, and an amendment substituting a limited partner or adding a limited or general partner shall be signed also by the member to be substituted or added, and when a limited partner is to be substituted, the amendment shall also be signed by the assigning limited partner.

(2) The writing to cancel a certificate shall be signed by all members.

(3) A person desiring the cancellation or amendment of a certificate, if any person designated in subsections (1) and (2) of this section as a person who must execute the writing refuses to do so, may petition the circuit court of the county in which the principal place of business of the partnership is located to direct a cancellation or amendment thereof.

(4) If the court finds that the petitioner has a right to have the writing executed by a person who refuses to do so, it shall order the clerk of the county court in the office where the certificate is recorded to record the cancellation or amendment of the certificate; and where the certificate is to be amended, the court shall also cause to be filed for record in said office a certified copy of its decree setting forth the amendment.

(5) A certificate is amended or cancelled when there is filed for record in the office of the clerk of the county court where the certificate is recorded

(a) A writing in accordance with the provisions of subsection (1) or (2) or

(b) A certified copy of the order of court in accordance with the provisions of subsection (4) of this section.

(6) After the certificate is duly amended in accordance with this section, the amended certificate shall thereafter be for all purposes the certificate provided for by this Act.

Section 26. A new section of the Kentucky Revised Statutes is created to read as follows:

A contributor, unless he is a general partner, is not a proper party to proceedings by or against a partnership, except where the object is to enforce a limited partner's right against or liability to the partnership.

Section 27. A new section of the Kentucky Revised Statutes is created to read as follows:

This Act may be cited as The Uniform Limited Partnership Act.

Section 28. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The rule that statutes in derogation of the common law are to be strictly construed shall have no application to this Act.

(2) This Act shall be so interpreted and construed as to effect its general purpose to make uniform the law of those states which enact it.

(3) This Act shall not be so construed as to impair the obligations of any contract existing when the Act goes into effect, nor to affect any action on proceedings begun or right accrued before this Act takes effect.

Section 29. A new section of the Kentucky Revised Statutes is created to read as follows:

In any case not provided for in this Act the rules of law and equity, including the law merchant, shall govern.

Section 30. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) A limited partnership formed under any statute of this

state prior to the adoption of this Act, may become a limited partnership under this Act by complying with the provisions of Section 2 of this Act; provided the certificate sets forth

(a) The amount of the original contribution of each limited partner, and the time when the contribution was made, and

(b) That the property of the partnership exceeds the amount sufficient to discharge its liabilities to persons not claiming as general or limited partners by an amount greater than the sum of the contributions of its limited partners.

(2) A limited partnership formed under any statute of this state prior to the adoption of this Act, until or unless it becomes a limited partnership under this Act, shall continue to be governed by the provisions of KRS 362.010 to 362.130, except that such partnership shall not be renewed unless so provided in the original agreement.

Section 31. Except as affecting existing limited partnerships to the extent set forth in Section 30 of this Act, KRS 362.010 to 362.130 are hereby repealed.

The Committee on Business Organizations and Professions reported **HB 215** with Committee Amendment attached thereto, **HB 349, HB 463, HB 487, HB 557** with Committee Substitute attached thereto and Committee Amendment to Committee Substitute for **HB 557** attached thereto, **HB 691, SB 92** and **SB 191** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 215, AN ACT to establish professional negotiation between boards of education and professional associations representing certificated personnel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 160 of the Kentucky Revised Statutes is created to read as follows:

It is the purpose of this Act to improve the quality of education within school systems in the Commonwealth of Kentucky through guaranteeing to professional associations representing

certificated school personnel the right of professional negotiation with boards of education.

Section 2. A new section of Chapter 160 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act unless the context requires otherwise.

(1) "Board" means the board of education of a school district as defined in KRS 160.160.

(2) "Certificated person" or "certificated personnel" means those persons, other than temporary substitutes, holding positions requiring certificates referred to in KRS 161.020 through 161.120 who are below the rank of superintendent, deputy superintendent, associate superintendent, and assistant superintendent of schools and employed by the board.

(3) "Association" means an organization composed of personnel holding positions for which certificates are required and which does not exclude certificated personnel from its membership because of duty assignment, job description or position in the school district.

(4) "Members" or "membership" means only those persons belonging to an association who are certificated personnel and who are in good standing with the association.

(5) "Administrator" means a certificated person who devotes the majority of his employed time to service as a principal, assistant principal, supervisor, coordinator, director, assistant director, administrative assistant, finance officer, or school business administrator, or who holds a position in which he rates or supervises teachers.

(6) "Teacher" means all certificated personnel who are not administrators.

(7) "Administrator unit" means a section or department of an association that has requested separate negotiating rights pursuant to subsection (3) of Section 3 of this Act, the members of such section or department being all administrators.

(8) "Teacher unit" means a section or department of an association that has requested separate negotiating rights pursuant to subsection (3) of Section 3 of this Act, the members of such section or department being all teachers.

(9) "Professional negotiation" or "negotiation" means the process established by this Act.

Section 3. A new section of Chapter 160 of the Kentucky Revised Statutes is created to read as follows:

(1) On or after the effective date of this Act in each school district where at least one association exists, the board shall accept a written request for recognition from any association in the district as the representative of all certificated personnel in the district for purposes of professional negotiation.

(2) Associations seeking recognition by the board must submit as a part of the written request for recognition, an affidavit stating:

(a) That the request is on behalf of the membership of the association. If separate negotiating rights are desired by a teacher unit or an administrator unit, a statement on separate negotiating rights as set forth in subsection (3) of this section shall be included in the affidavit.

(b) That to the best of its knowledge and belief, the association represents a larger number of certificated personnel than any other association in the school district.

(c) The total number of members of the association.

(d) That the total number of members claimed is in good standing with the association.

(e) That the members in good standing voted to determine whether or not the association should request the board to recognize the association as the exclusive representative of the members for purposes of professional negotiation.

(f) That the results of the vote indicated that a majority of the members were in favor of being exclusively represented by the association for purposes of professional negotiation.

(3) Administrators and teachers shall negotiate through a single association unless separate negotiating rights are desired. If separate negotiating rights are desired, administrator units or teacher units may be organized within the structure of the association. The association shall in such event include in its request for recognition a statement informing the board that an administrator unit, or teacher unit, or both shall require separate

negotiating rights and that the basis for separate negotiating rights is a majority vote of members of the teacher unit or the administrator unit.

(4) Upon receipt of a request for recognition the board shall notify the chief elected officer of each association in the school district of the request and shall grant such associations the right to challenge any request prior to recognition of an association by the board. Challenges must be submitted within fifteen calendar days from receipt of notice from the board. A challenge must be in the form of a request for recognition as set forth in subsections (2) and (3) of this section.

(5) If the board receives only one request for recognition, the board shall, at a time no later than its next regular meeting, issue a written statement of recognition to the association, establishing such association as the exclusive representative of all the certificated personnel in the school district for purposes of professional negotiation.

(6) If the board receives more than one request for recognition, it shall compare the combined membership of the requesting associations, as such membership figures appear in the affidavit accompanying the requests for recognition, with the total number of certificated personnel employed in the district. If the combined membership figure is equal to or less than the total number of certificated personnel employed in the district, the board shall recognize the majority association as shown by the aforesaid affidavits. However, if no association has a majority of the membership then the association having the largest number of members shall be recognized by the board. The board shall, at a time no later than its next regular meeting, issue a written statement of recognition to the majority association or the association with the largest number of members, recognizing it as the exclusive representative of the certificated personnel for purposes of professional negotiation. When teacher units or administrator units qualify for separate negotiating rights, the written statement of recognition to the association shall so state.

(7) If the board receives more than one request for recognition of an association as representative of all certificated personnel and if, upon comparing membership figures with certificated personnel figures as in subsection (6) of this section, it is

determined that the membership figures are greater than the number of certificated personnel employed in the district, then the board shall require verification of such membership figures by the Superintendent of Public Instruction. Upon receipt of the verified membership figures, the board shall recognize the majority association and at a time no later than its next regular meeting issue a written statement of recognition as in subsection (6) of this section.

Section 4. A new section of Chapter 160 of the Kentucky Revised Statutes is created to read as follows:

(1) When verification of membership and desired representation are required in a case arising under subsection (7) of Section 3 of this Act, the board shall so notify the appropriate associations. The board also shall notify the Superintendent of Public Instruction that verification is required and advise him of the associations involved. The board shall determine the need for verification under subsection (7) of Section 3 of this Act, and notify the associations involved and the Superintendent of Public Instruction no later than eighteen calendar days from the time that all the requests for recognition have been received. The associations shall, if they still desire to be considered for recognition, prepare signature cards that shall be completed by each of their members. Said cards shall contain the following information:

(a) Full name.

(b) Address.

(c) Employer school district.

(d) Position held.

(e) Certificate number and type.

(f) A statement as to whether or not the member desires to be represented in professional negotiation by one of the associations requesting recognition.

(g) A statement that the person is a member of the association he designates.

(h) Signature.

(2) The associations shall instruct each member to fill out a card and seal the card in a blank envelope. All cards shall

then be forwarded to the Superintendent of Public Instruction by the chief elected officer of each association so that membership and desired representation may be verified. Such process shall be accomplished within thirty calendar days from the time of notification by the board as stated in subsection (1) of this section. Upon receipt of the cards from the appropriate associations, the Superintendent of Public Instruction shall cause said verification to be accomplished in the following manner:

(a) Cast out the cards for persons who are not properly certificated as defined in subsection (2) of Section 2 of this Act.

(b) Cast out the cards for persons who are not employed in the school district involved.

(c) Cast out the cards for persons who request representation by more than one of the competing associations.

(d) Cast out the unsigned cards, regardles of what has been marked.

(e) Count the remaining cards.

(f) Prepare a tabulation showing the vote from the counted cards and the total number of uncounted cards for each category described herein.

The Superintendent of Public Instruction shall within thirty calendar days from the time the cards are received from all associations seeking verification send a written report of his findings to the board and to the associations involved.

(3) The information contained on cards furnished to the Superintendent of Public Instruction under subsection (1) of this section shall be considered confidential and shall not be released to associations or boards or other persons except as required in this Act.

Section 5. A new section of Chapter 160 of the Kentucky Revised Statutes is created to read as follows:

(1) A board's recognition of an association for purposes of professional negotiation shall be for a period not to exceed three years, beginning and ending on May 31. The term of a professional negotiation agreement shall be negotiated by a board and an association, but in no case shall the term of the agreement

extend beyond the period of recognition. An association may request renewal of recognition within sixty calendar days before termination of the existing recognition agreement. Upon receipt of said request for renewal, the board shall notify all other associations within the district as in subsection (4) of Section 3 of this Act. If a request for renewal of recognition is submitted, it shall include as a part thereof an affidavit containing the same information as required by subsections (2) and (3) of Section 3 of this Act. If no challenges to the request for renewal are received by the board, the board shall at a time no later than its next regular meeting issue a written statement of recognition. If the request for renewal is challenged, the board shall follow procedures set forth in subsections (6) and (7) of Section 3 of this Act.

(2) Thereupon, the board shall issue a statement of recognition to the proper association, as set forth in subsection (1) of Section 5 and subsection (6) of Section 3 of this Act.

Section 6. A new section of Chapter 160 of the Kentucky Revised Statutes is created to read as follows:

(1) The association and board shall appoint negotiating teams for purposes of meeting and negotiating.

(2) The superintendent of schools shall comply with all reasonable requests from negotiating teams for records and information relating to subjects under negotiation and proposed subjects of negotiations. Records and information supplied to one of the negotiating teams shall also be supplied to the other.

(3) Agreements between the recognized association and the board that have been reached through negotiation shall be in written form and subscribed to by the duly authorized representatives of the board and the association. All such agreements shall become part of the official minutes of the board.

Section 7. A new section of Chapter 160 of the Kentucky Revised Statutes is created to read as follows:

(1) The recognized association and the board shall negotiate with each other concerning policies relating to but not limited to such matters as curriculum, in-service training, grievance procedures with binding arbitration, personnel policies,

salaries and salary schedules, employe benefits, working conditions, and other matters which affect the quality of the educational program.

(2) The association and the board shall, at all times, negotiate with each other openly, fairly, and in good faith. A sincere effort shall be made by both parties to overcome obstacles to agreement in the negotiation process.

Section 8. A new section of Chapter 160 of the Kentucky Revised Statutes is created to read as follows:

(1) Professional negotiation in a school district shall occur when the recognized association or the board requests negotiations. Such negotiation shall be completed within ninety calendar days of the original request for negotiations to commence or by a date agreed to by the recognized association and the board, but where fiscal matters are concerned in no event later than a legally-established date for the adoption of the district budget. If agreement upon the matter being negotiated has not been reached by the legally established date, by the end of the 90 day period, or by the date agreed upon by the association and the board, as the case may require, an impasse shall be presumed to exist, and the procedure for resolving an impasse as outlined in Section 9 of this Act shall be employed. Either party may declare an impasse to exist at any stage of negotiations.

(2) Once a matter has been negotiated that same matter shall not be subject to negotiation for a period of twelve months from the date negotiation commenced. However, both parties may mutually agree to reopen negotiations on any matter at any time.

Section 9. A new section of Chapter 160 of the Kentucky Revised Statutes is created to read as follows:

(1) Upon declaration of impasse by either party or upon failure of the parties to complete negotiations before deadlines set forth in this Act and in the professional negotiation agreement, the following procedure for resolution of the impasse shall be employed: Within seven calendar days the board and the recognized association shall agree upon and appoint a mediator. If at the termination of the above mentioned time period a mediator

cannot be agreed upon and appointed, the board or the recognized association shall immediately notify the Superintendent of Public Instruction, who within ten calendar days of receipt of said notification shall appoint a mediator. The mediator shall meet with the parties or their representatives, or both, forthwith, either jointly or separately, and shall take such other steps as he may deem appropriate in order to persuade the parties to resolve their differences and effect a mutually acceptable agreement: Provided, that the mediator shall not, without the consent of both parties make findings of fact or recommended terms of settlement. Unless both parties agree to a longer period, said mediator shall have 15 calendar days in which to assist the parties in reaching agreement on the matter that has led to impasse.

(2) If the mediator's efforts do not result in the parties reaching agreement or if agreement is not reached in some other manner, the second step for resolving impasse shall commence in the following manner: The board and the recognized association shall within ten calendar days from the expiration of the mediator's working period each select one person to serve on an advisory panel. A third person who shall serve as panel chairman shall be selected jointly by the other two panelists. No panelist shall be a member of the board or the association. If within ten calendar days from their appointment the two panelists are unable to agree upon the choice of a chairman, the board or the association shall so notify the Superintendent of Public Instruction, who shall appoint a chairman within ten calendar days from receipt of notification. The panelists shall investigate, make findings of fact, and after consultation and vote, recommend a solution. The written findings and recommendations of the panel shall be presented to the parties within thirty calendar days from the time the chairman is appointed and shall be made public. Such panel recommendations shall be advisory only.

(3) The board shall adopt or reject the recommendations of the advisory panel at its next regular meeting or by a date agreed to by the recognized association and the board.

Section 10. A new section of Chapter 160 of the Kentucky Revised Statutes is created to read as follows:

Certificated personnel shall have the right to join or not

to join any association for their professional or economic improvement.

Section 11. A new section of Chapter 160 of the Kentucky Revised Statutes is created to read as follows:

Expenses of advisors selected jointly by the board and the association and expenses of persons required to be appointed by the Superintendent of Public Instruction shall be shared equally by the board and the association. The board shall pay the expenses of any person it appoints or selects, and the association shall pay the expenses of any person it appoints or selects. Expenditures required under this Act are conclusively presumed to be for the direct benefit of the public schools and for a valid school purpose.

The Committee Amendment to **HB 215** is as follows:

Amend printed copy of House Bill 215 on page 9, line 21-26, by:

deleting, all of line 21 following the word "concerning" and by deleting all of lines 22 through 26 and by substituting in lieu thereof the following words:

"rates of pay, wages, salaries, hours of employment or other conditions of employment."

and on page 9 by adding at the end of line 17 and before the beginning of line 18 the following sentence:

"During the term of any such agreement, it shall be unlawful for the recognized association to cause or authorize any of its members to take part in any strike, slowdown or withdrawal of professional services and it shall be further unlawful for any teacher, during the term of any such agreement negotiated by a recognized association with the board by whom such teacher is employed, to participate in any strike, slowdown or withdrawal of professional services."

HB 349, AN ACT relating to alcoholic beverages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 244.290 of the Kentucky Revised Statutes is amended to read as follows:

No premises for which there has been granted a license for the sale of distilled spirits or wine at retail shall be permitted to remain open for any purpose between midnight and 8 a.m., or at any time during the twenty-four hours of a Sunday, or during the hours the polls are open on any regular, primary, school or special election day, provided, that if a licensee provides a separate department within his licensed premises capable of being locked and closed off, within which is kept all stocks of distilled spirits and wine, and all fixtures and apparatus connected with his business as a licensee, and said department is kept locked during the times mentioned above, he shall be deemed to have complied with this section; except that the city council, board of aldermen, or other municipal legislative body of cities of the first, second or third class in which traffic in distilled spirits and wine is permitted under Chapter 242 shall have the exclusive right and power, by ordinance duly enacted, to establish the hours and times in which distilled spirits and wine may be sold within its jurisdictional boundaries, and except further that the fiscal court of each county in which cities of the first, second or third class are located shall have the exclusive right and power to establish the hours and times in which distilled spirits and wine may be sold over that portion of the county which lies without the corporate limits of such cities, except any portion in which distilled spirits and wine are prohibited from being sold. Provided, however, that no distilled spirits or wine may be sold in any portion of the counties containing cities of the first, second or third class [during the twenty-four hours between 6 a.m., Sunday and 6 a.m., Monday, and that no distilled spirits or wine may be sold] on any such election day while the polls are still open; and provided, also, that all stocks of distilled spirits and wine must be kept locked during the hours which the licensee is prohibited from selling same.

HB 463, AN ACT relating to the sale of alcoholic beverages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 243 of the Kentucky Revised Statutes is created to read as follows:

(1) Notwithstanding any other provision of law a special

retail drink license may be issued to any restaurant or other place which serves food for consumption in cities of the fourth class if it meets the requirements of this section.

The licensee shall have the same privileges and is subject to the same restrictions as a retail drink licensee.

(2) No license shall be issued under this section unless the applicant meets the following requirements:

(a) Owns or operates an established place of business that regularly serves meals for consumption on the premises and offers a menu at least six days of the week which consists of at least four different meats or sea foods, three different vegetables, two different salads and two different desserts. All of these varieties of food shall be available for purchase during regular business on the days required in this subsection; and

(b) the premises are not located in dry territory as defined in KRS 242.010.

(3) The license issued under this section shall authorize the licensee to use only a "service-type" bar for dispensing drinks and a bar at which patrons may stand or sit for the consumption of drinks is expressly prohibited.

(4) No license shall be issued under this section until approved by the mayor and city council in cities having the council-manic form of government or by the city manager and commission in cities having the city manager form of government.

(5) The fee for a license issued under this section shall be the same as required for a drink license under KRS 243.030.

HB 487, AN ACT relating to process agents for corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 271 of the Kentucky Revised Statutes is created to read as follows:

A designated process agent may resign by filing with the Secretary of State a signed statement to that effect. The Secretary of State shall forthwith mail a copy of such statement to the foreign corporation at its principal office as shown by the

record in his office. Upon the expiration of sixty days after such filing, the authority of the agent shall terminate. The Secretary of State shall act as process agent at any time when the foreign corporation has no agent.

HB 557, AN ACT relating to practical nurses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 314 of the Kentucky Revised Statutes is created to read as follows:

Any practical nurse licensed under the provisions of KRS 314.081 shall be equal in every way to practical nurses licensed under any other provision of this chapter, and shall not be discriminated against in any employment or otherwise in this Commonwealth.

Committee Substitute, HB 557, AN ACT relating to practical nurses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 314.011 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 314.011 to 314.191 and 314.991, unless the context thereof requires otherwise:

(1) "Board" shall mean Kentucky Board of Nursing Education and Nurse Registration;

(2) "Nurse" shall mean a person licensed under the provisions of KRS 314.011 to 314.191 and 314.991 as a registered nurse or as a licensed practical nurse;

(3) "Registered nurse" shall mean one who performs for compensation as a nurse any act in the observation, care and counsel of the ill, injured, or infirm, or in the maintenance of health or prevention of illness of others, or in the supervision and teaching of other personnel, or the administration of medications or treatments as prescribed by a licensed physician or licensed dentist; requiring substantial specialized judgment and skill and

based on knowledge and applications of the principles of biological, physical and social science, but shall not be deemed to include acts of medical diagnosis or prescription of therapeutic or corrective measures.

(4) "Practical nurse" shall mean one who performs for compensation delegated acts in the care of the ill, injured or infirm under the direction of a registered nurse or a licensed physician or licensed dentist; and not requiring the substantial specialized judgment and knowledge required of the registered nurse.

(5) "School of Nursing" shall mean an institution conducting or offering to conduct a nursing education program for the preparation or training for licensure of a person as a registered nurse or a practical nurse.

(6) "Graduate" means a person who has successfully completed a course of training offered by a school of nursing, or a licensed practical nurse who has successfully completed a course of specified vocational training prior to 1970 and who first qualified under the provisions of KRS 314.051 prior to 1966.

(7) "Specified vocational training" means four years of successful nursing experience as a non-registered nurse under the supervision of a registered nurse, and the successful completion of 428 hours of vocational training under a registered nurse, all of which shall have been completed prior to 1970. No person shall qualify as having completed the specified vocational training set forth in this section unless such person first met the requirements of KRS 314.051 prior to 1966.

The Committee Amendment to the Committee Substitute for **HB 557** is as follows:

Amend printed copy of Committee Substitute for House Bill 557 on page 2 of Committee Substitute under Subsection (6) line 4 by: changing 1970 to "1973"

under Subsection (7) line 5 by changing 1970 to "1973"

HB 691, AN ACT relating to thoroughbred racing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of KRS 230.210 to 230.360 is created to read as follows:

It is the policy of the Commonwealth of Kentucky, in furtherance of its responsibility to foster and to encourage legitimate occupations and industries in the Commonwealth and to promote and to conserve the public health, safety, and welfare, and it is hereby declared the intent of the Commonwealth to foster and to encourage the thoroughbred horse breeding industry within the Commonwealth and to encourage the improvement of the breed of thoroughbred horses. Further, it is the policy and intent of the Commonwealth to foster and to encourage the business of legitimate thoroughbred racing with pari-mutuel wagering thereon in the Commonwealth on the highest possible plane. Further, it hereby is declared the policy and intent of the Commonwealth that all thoroughbred racing not licensed under this chapter is a public nuisance and may be enjoined as such. Further, it is hereby declared the policy and intent of the Commonwealth that the conduct of thoroughbred racing, or the participation in any way in thoroughbred racing, or the entrance to or presence where thoroughbred racing is conducted, is a privilege and not a personal right; and that this privilege may be granted or denied by the commission or its duly approved representatives acting in its behalf.

It is hereby declared the purpose and intent of this chapter in the interest of the public health, safety, and welfare, to vest in the commission forceful control of thoroughbred racing in the Commonwealth with plenary power to prescribe rules and regulations and conditions under which all legitimate thoroughbred racing and wagering thereon is conducted in the Commonwealth so as to encourage the improvement of the breed of thoroughbreds in the Commonwealth, to regulate and maintain thoroughbred racing in the Commonwealth of the highest quality and free of any corrupt, incompetent, dishonest, or unprincipled thoroughbred racing practices, and to regulate and maintain thoroughbred racing in the Commonwealth so as to dissipate any cloud of association with the undesirable and maintain the appearance as well as the fact of complete honesty and integrity of thoroughbred racing in the Commonwealth. In addition to the general powers and duties vested in the commission by this chapter, it is the intent hereby to vest in the commission the

power to eject or exclude from association grounds or any part thereof any persons, licensed or unlicensed, whose conduct or reputation is such that his presence on association grounds may, in the opinion of the commission, reflect on the honesty and integrity of thoroughbred racing or interfere with the orderly conduct of thoroughbred racing. The power of the commission to penalize persons for violations of this chapter or any rule or regulation of the commission shall be limited to denial of, suspension of, revocation of, or voidance of a license to conduct or participate in thoroughbred racing, and ejection and exclusion of persons from association grounds.

Section 2. Section 230.220 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) There is hereby created the Kentucky State Racing Commission which shall be an independent agency of state government. The commission shall consist of five members all of whom shall be appointed by the Governor. Not less than three of the members shall be breeders [and raisers] of thoroughbred *horses* [stock] in Kentucky, and no two of the members shall be directors of the same racing association. *The Governor shall appoint in January of 1971, two members for terms to expire on February 1, 1974, and shall appoint in January of 1972 three members for terms to expire on February 1, 1976; upon the expiration of the term of any member, the Governor shall appoint a successor for a term of four years and until his successor is appointed and qualified.* [Commissioners shall be appointed for a term of four years and until their successors are appointed and qualified.] Any vacancy on the commission shall be filled by the Governor for the unexpired term. Each commissioner shall be eligible for reappointment in the discretion of the Governor. Commissioners shall serve without salaries, but shall be reimbursed for all expenses paid or incurred in the discharge of official business. The commission shall designate one of their number as chairman and another as vice-chairman. Before entering upon the discharge of their duties, each commissioner shall take the constitutional oath of office.

(2) The commission shall establish and maintain a general office for the transaction of its business and may in its discretion establish a branch office or offices. The commission may hold

meetings at any of such offices or at any other place when the convenience of the commission requires. All meetings of the commission shall be open and public, and all persons shall be permitted to attend any meetings, *except that the commission need not hold such meetings to deliberate or vote on any action to be taken by it. A public record of every vote shall be maintained at the commission's general office.* A majority of the commission shall constitute a quorum for the transaction of its business or exercise of any of its powers.

Section 3. Section 230.260 of the Kentucky Revised Statutes is hereby amended to read as follows:

The commission, in the interest of breeding or the improvement of the breed of thoroughbred horses, shall have all powers necessary and proper to carry out fully and effectually the provisions of KRS 230.210 to 230.360 including, but without limitation, the following:

(1) The commission is vested with [full] jurisdiction and supervision over all thoroughbred race meetings in this *Commonwealth and over all associations and all persons on association grounds and may eject or exclude therefrom or any part thereof any person, licensed or unlicensed, whose conduct or reputation is such that his presence on association grounds may, in the opinion of the commission, reflect on the honesty and integrity of thoroughbred racing or interfere with the orderly conduct of thoroughbred racing; provided, however, no persons shall be excluded or ejected from association grounds solely on the ground of race, color, creed, national origin, ancestry, or sex;* [state and over all persons and associations having to do with the conduct of such meetings;]

(2) The commission, its representatives and employes, may visit, investigate and have free access to the office, track, facilities or other places of business of any licensee for the purpose of satisfying itself that KRS 230.210 to 230.360 and its rules and regulations are strictly complied with;

(3) The commission shall have full authority to prescribe rules, regulations and conditions under which thoroughbred horse racing shall be conducted in this state and to fix and regulate the minimum amount of purses, stakes or awards to be offered for the conduct of any thoroughbred race meeting;

(4) Applications for licenses shall be made in the form, in the manner and contain information as the commission may, by rule, require. Fees for all licenses issued under KRS 230.310 shall be prescribed by and paid to the commission;

(5) Any of the foregoing rules, regulations and conditions may be altered, amended, repealed and published from time to time. All rules, regulations and conditions shall become effective thirty days after the filing thereof with the Legislative Research Commission unless the Governor finds an emergency to exist in which event the same shall become effective immediately upon filing with the Legislative Research Commission. The commission may, but shall not be required to, advertise any of its regulations either before or after filing;

(6) The commission may issue subpoenas for the attendance of witnesses before it and administer oaths to such witnesses whenever, in the judgment of the commission, it is necessary to do so for the effectual discharge of its duties. Any person failing to appear before the commission at the time and place specified in said summons, or refusing to testify, shall be deemed guilty of a misdemeanor and upon conviction by a court of competent jurisdiction shall be punished by a fine of not more than one thousand dollars or by imprisonment for not more than six months, or both. False swearing on the part of any witness shall be deemed perjury and punished as such.

(7) The commission shall have authority to compel any racing association licensed under KRS 230.210 to 230.360 to file with the commission at the end of its fiscal year, a balance sheet, showing assets and liabilities, and an earnings statement, together with a list of its stockholders or other persons holding a beneficial interest in the association.

Section 4. Section 230.290 of the Kentucky Revised Statutes is hereby amended to read as follows:

All licenses granted under KRS 230.210 to 230.360;

(1) Shall be in writing;

(2) Shall be subject to all rules, regulations and conditions as may from time to time be prescribed by the commission;

(3) Shall contain such conditions as may be considered

necessary or desirable by the commission for purposes of KRS 230.210 to 230.360; and

(4) No license shall extend beyond the end of the calendar year for which it was issued, *but the commission may renew any license and any such renewal shall not be construed to be a waiver or condonement of any violation which occurred prior to such renewal and shall not prevent subsequent proceedings against the licensee therefor.*

Section 5. Section 230.300 (2) of the Kentucky Revised Statutes is hereby amended to read as follows:

(2) The commission shall as soon as practicable, but in no event later than March 1 in any calendar year award [all] dates for racing in *the Commonwealth* [Kentucky] during the year. *In the event scheduled racing is cancelled by reason of flood, fire, or inclement weather, the commission may award after March 1 additional racing dates to make up for those dates cancelled by such flood, fire, or inclement weather.* The commission may issue such license to conduct a thoroughbred race meeting to any [person who makes] *association making* the aforesaid application *if the commission finds that the proposed conduct of racing by such association would be in the best interest of the public health, safety, and welfare of the immediate community as well as to the Commonwealth, and if by reason of financial stability, track location, traffic flow, facilities for the public, facilities for racing participants and horses, character and reputation for honesty of all persons identified with the association, competence of proposed racing officials and association employees, absence of conflict with other race meetings in time and patronage area, sentiment of the community in which such association proposes to conduct a race meeting, and capability to comply with the rules and rulings of the commission, the licensing of such association would serve to nurture, promote, develop, or improve the thoroughbred industry in the Commonwealth.* [who has complied with the requirements of KRS 230.210 to 230.360 as well as the rules of the commission and where the issuance thereof is in the best interest of racing generally.] As a condition precedent to the issuance of *such* [the] license, the commission may require a surety bond or other surety conditioned upon the payment of all taxes due the Common-

wealth, together with the payment of operating expenses including purses and awards to owners of horses participating in races.

Section 6. Section 230.310 of the Kentucky Revised Statutes is hereby amended to read as follows:

Every person not required to be licensed under KRS 230.300 who *desires to* participate[s] in [or has anything to do with] thoroughbred racing *in the Commonwealth as a* [including a] horse owner, *trainer, jockey, apprentice jockey, agent, stable employee, racing official, association employee, or employee of a person or concern contracting with the association to provide a service or commodity and which requires their presence on association grounds during a race meeting, or veterinarian, farrier, horse dentist, or supplier of food, tack, medication, or horse feed, shall first apply to the commission for a license to participate in such activity on association grounds during a race meeting. No person required to be licensed by this section may participate in any activity required to be licensed on association grounds during a race meeting without a valid license therefor. The commission may issue a license if it finds that the financial responsibility, age, experience, reputation, competence, and general fitness of the applicant to perform the activity permitted by a license, are consistent with the best interest of racing and the maintenance of the honesty, integrity, and high quality thereof. Such license shall be issued for the calendar year in which it is issued and may be renewed by the commission. The license shall be valid at all thoroughbred race meetings in the Commonwealth during the period for which it is issued unless suspended or revoked under the rules and regulations prescribed by the commission under this chapter.* [jockey, apprentice, exercise boy, agent, trainer, observer, stable foreman, groom, valet, veterinary, horse shoer, steward, horse owner, owner's stable watchman, starter or starter's helper, timer, judge, any other person acting as a racing official of any thoroughbred race meeting and every employe of a pari-mutuel department shall be licensed by the commission pursuant to such rules and regulations as the commission may adopt and upon the payment of a license fee fixed and determined by the commission. No person required to be licensed by this section may participate in any capacity in any thoroughbred race meeting without a valid and unrevoked license authorizing such participation. An original license issued under

this section shall be issued for the calendar year in which it is issued and shall be renewable annually upon the payment of the fee prescribed for the issuance of an original license of the same kind. The license shall be valid at all thoroughbred race meetings in this state during the period for which it is issued unless it is suspended or revoked prior to the expiration of such period. No qualified person shall be refused a license under this section without just cause, but for just cause the same may be denied and, after issuance, may be suspended or revoked.]

Section 7. Whereas, the authority of racing officials in this state has recently been questioned; and, whereas, a purpose of this Act is to clarify and confirm such authority; and, whereas, recognition of adequate authority of racing officials is essential to effectuate honesty and integrity in racing; and, whereas, thoroughbred racing is now being conducted in this state; an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

SB 92, AN ACT relating to credit cards.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 365 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context otherwise requires:

(1) "Accepted credit card" means a credit card which:

(a) The cardholder has requested in writing; or

(b) The cardholder has signed or has authorized or permitted another person to place a signature on the card; or

(c) The cardholder has used or permitted or authorized another person to use; or

(d) The cardholder has otherwise evidenced his intention to accept the card; or

(e) If an unsolicited credit card,

1. The cardholder has retained the card, or permitted it to be retained, for a period of ten days after receipt without destroying or returning it to the issuer;

2. There was printed in a conspicuous location on a writing accompanying the card at the time it was mailed to the cardholder substantially the following notice in at least ten-point bold type: "NOTICE—IF YOU DO NOT WANT THE ENCLOSED CREDIT CARD, IT SHOULD BE DESTROYED OR RETURNED TO SENDER WITHIN 10 DAYS OR YOU MAY BE LIABLE FOR ITS UNAUTHORIZED USE"; and

3. The issuer furnished to the cardholder a postage prepaid envelope addressed to the issuer in which the card may be returned. A renewed credit card shall be deemed to be accepted if it is issued within one year after a prior card has been paid for, used or accepted as provided in this subsection. A credit card issued in connection with a merger, acquisition, or the like of issuers or of credit card services in substitution for an accepted credit card shall be deemed to be an accepted credit card.

(2) "Adequate notice" means a writing which is printed in at least eight-point bold type and which is printed on the credit card or on a writing accompanying the card at the time of its issuance or on the cardholder's written application for the card.

(3) "Cardholder" means the person or organization named on the face of a credit card to whom or for whose benefit the credit card is issued by an issuer or any person who has agreed with the issuer to pay obligations arising from the issuance of a credit card to another person.

(4) "Credit card" or "card" means any instrument or device, whether known as a credit card, credit plate, credit number or by any other name, issued by an issuer for the use of the cardholder in obtaining money, goods, services or anything else of value on credit.

(5) "Issuer" means the business organization or financial institution which issues a credit card or its duly authorized agent.

(6) "Unauthorized use" means the use of a credit card by a person other than the cardholder who does not have actual, implied or apparent authority for such use or from which use the cardholder receives no benefit.

Section 2. A new section of Chapter 365 of the Kentucky Revised Statutes is created to read as follows:

A provision imposing liability on a cardholder for the unauthorized use of a credit card shall be enforceable in this state until receipt by the issuer of written notice from the cardholder of the loss or theft of the card or any unauthorized use thereof, if the card is an accepted credit card and the issuer gave adequate notice of the potential liability.

Section 3. A new section of Chapter 365 of the Kentucky Revised Statutes is created to read as follows:

For the purposes of this Act, use of a credit card by a member of the cardholder's household or by his employe or agent shall be presumed to be authorized by the cardholder unless the cardholder introduces evidence that the card was taken or used under circumstances that indicate the commission of common law theft or embezzlement.

Section 4. This Act shall apply only to credit cards issued or renewed after September 1, 1970.

SB 191, AN ACT relating to plumbers and plumbing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 318.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Board" means the State Board of Health;

(2) "Journeyman plumber" means a person who engages or offers to engage, either as an occupation or otherwise, in the construction, installation, alteration, maintenance, repair, remodeling or removal, and replacement of plumbing under the supervision, direction and responsibility of a master plumber;

(3) "Master plumber" means a person who assumes responsible charge, supervision or direction of journeyman plumbers, plumbers' apprentices and other persons in the construction, installation or alteration of plumbing or who engages in, offers to engage in or advertises or otherwise represents that he is permitted or qualified to engage in the design, planning,

superintending, contracting for or responsible charge of plumbing;

(4) "Plumbing" means the art of installing in buildings the pipes for distributing the water supply, the fixtures for using water and drainage pipes for removing waste water and sewage, together with fittings, appurtenances, and appliances of various kinds, all within or adjacent to the building. It shall include:

(a) The water service pipe which forms the connection between the property line and the building [;] *other than piping serving fire fighting equipment;*

(b) Private water supply system;

(c) House sewers which convey the waste water and sewage from the building to the property line or other points of disposal [;] *but not including sewers located between manholes and sewers extending five feet from a main or manhole on private property;* and

(d) Storm sewers [,] *and* rain water piping *located within a building to a point two feet outside of the building* and private sewage disposal systems [;] *other than those which have a treated affluent;*

(5) "Department" means the State Department of Health;

(6) "Public buildings" means any building intended for public use or built with public funds and includes but is not limited to the following: Schools, industrial establishments, housing projects, restaurants, food handling establishments, private clubs, theaters including drive-ins, trailer coach parks, camping areas, hospitals, nursing homes, hotels, motels, tourist courts, rooming houses, boarding houses, and other establishments furnishing public sleeping accommodations;

(7) "Maintenance man" means a person employed to maintain and keep plumbing in good repair;

(8) "Apprentice" means a person in the process of learning the plumbing trade who assists and is under the personal supervision of a licensed master or licensed journeyman plumber;

(9) "Farmstead" means a farm dwelling together with other farm buildings and structures incident to the operation and

maintenance of the farm located outside the corporate limits of a municipality and not connected to a public water supply.

The Committee on Health and Welfare reported **HB 373, HB 374, HB 375, HB 393, HB 572** and **HB 590** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 373, AN ACT relating to the regulation of detention facilities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 208.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal court of each county shall provide for a suitable facility or facilities for the detention of children held in custody pending disposition of their cases by the juvenile court, and may employ necessary personnel for the operation thereof.

(2) In counties containing a city of the first or second class, the fiscal court shall maintain a permanent detention home, either through arrangement with another public agency or with a private organization or agency, or by acquiring and operating the home as a county institution.

(3) In counties other than those containing a city of the first or second class, the fiscal court shall either maintain a detention home or arrange for the use of private or family homes.

(4) The department may assist the counties in the acquisition, development and furnishing of detention facilities, and may employ available funds for that purpose. [The detention facilities may be subject to the supervision of the department, and shall conform to rules and regulations prescribed by the department.]

(5) All detention facilities referred to in this Chapter may be subject to the supervision of the department, and shall conform to rules and regulations prescribed by the department.

(6) [(5)] Each detention facility shall be conducted

under the jurisdiction of the juvenile court for which it is maintained and each child detained in such facility shall be deemed to be under the jurisdiction of the court.

(7) [(6)] The fiscal court of any county may arrange with the department for the use of its regional reception-diagnostic centers for those cases pending before the juvenile court of its county. The fiscal court is authorized to make such payments as agreed upon with the department for the use of the services and facilities. The use of the department's regional reception-diagnostic centers by the individual juvenile courts shall not give such juvenile courts jurisdiction over the department's regional reception-diagnostic centers.

HB 374, AN ACT relating to temporary custody of a child.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 208.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) After a petition has been filed and after such further investigation as the court may direct unless the parties appear voluntarily, the court shall issue a summons briefly reciting the substance of the petition and requiring the person who has the custody or control of the child to appear personally and bring the child before the court at a time and place stated. If the person so summoned is other than a parent or guardian of the child, the parent or guardian or both shall also be notified of the pendency of the proceeding and of the time and place appointed. Summons may be issued requiring the appearance of any other person whose presence, in the opinion of the judge, is necessary.

(2) If it appears to the court, *by affidavit or by sworn testimony,* at the time the summons is issued, that the child is in such condition or surroundings that his welfare requires that his custody be immediately assumed by the court, the judge may order, by endorsement on the summons, that the officer serving the summons shall at once take the child into custody. In such cases, the child shall be placed in the detention facility provided for under KRS 208.130, *or in a facility operated by the department if the department is willing to receive the child or*

in a facility operated by a licensed child-caring institution or agency, and held therein pending further disposition by the court.

HB 375, AN ACT relating to new birth certificates in adoption cases.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 199.570 of the Kentucky Revised Statutes is amended to read as follows:

(1) The files and records of the court during adoption proceedings shall not be open to inspection by persons other than parties to such proceedings, their attorneys, and representatives of the department except under order of the court expressly permitting inspection. Upon the entry of the final order in the case, the clerk shall place all papers and records in the case in a suitable envelope which shall be sealed and shall not be open for inspection by any person except on written order of the court. No person having charge of any adoption records shall disclose the names of any parties appearing in such records or furnish any copy of any such records, except upon order of the court which entered the judgment of adoption. The clerk of the circuit court shall set up a separate docket and order book for adoption cases and these files and records shall be kept locked.

(2) After entry of the adoption judgment, the clerk of the circuit court shall promptly report to the Division of Vital Statistics of Kentucky full information as called for on forms furnished by the Division of Vital Statistics, necessary to make a new birth certificate conforming to the standard birth certificate form. Upon receipt of this information, the Division of Vital Statistics shall cause to be made a new record of the birth and it shall be filed with the original certificate, and the original certificate shall be stamped with the words, "CONFIDENTIAL—subject to copy and/or inspection only on written order of the court."

(3) The new certificate shall set forth the new name, if any, of the adopted child, the names of the adoptive parents and such other information deemed necessary in accordance with

rules and regulations promulgated by the Division of Vital Statistics in issuing of birth certificates. If the adopted child is under eighteen years of age, the birth certificate shall not contain any information revealing the child is adopted and shall show the adoptive parent or parents as the natural parent or parents of the child. *The new birth certificate when issued shall not contain the place of birth, hospital and name of doctor or midwife. This information should be given only by an order of the court in which the child was adopted.* If no birth certificate is on file for a child born in Kentucky or another state, the Division of Vital Statistics shall prepare a certificate of birth in accordance with the regular procedure for issuing the birth certificate for a child whose original certificate is on file. The Division of Vital Statistics shall furnish to the clerks of the circuit courts the necessary forms to carry out the provisions of this section.

(4) Thereafter when any copy of the certificate of birth of any child is issued it shall be a copy of the new certificate of birth, except when an order of the court granting the judgment of adoption shall request the issuance of the copy of the original certificate of such child's birth.

(5) If any judgment of adoption is reversed, modified or vacated in any particular, the clerk of the circuit court shall notify the department and the Division of Vital Statistics of such reversal or modification and the effect of same, and thereupon such division shall make such changes, if any, in its records as may be necessary by such reversal or modification.

Section 2. Section 213.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) The attending physician or midwife shall sign and file a certificate of birth with the local registrar of the district in which the birth occurred within ten days after the date of birth. The certificate shall be properly and completely filled out, and shall contain the date of signature, the address, and all the information required by this chapter. No physician or midwife shall refuse to file or delay the filing of a birth certificate because obstetrical fees have not been paid. If the mother of a child informs the physician, midwife, or a person prescribed by subsection (2) that the child was born out of wedlock, the name

of the father shall not be inserted in the birth certificate and the certificate of birth of said child shall be in the surname of the mother. However, the Director of the Division of Vital Statistics shall insert the name of the father and change the name of the child to the surname of the father if paternity is established in a legal action, or if an affidavit is filed stating that the affiant is the father of the child.

(2) If there is no attending physician or midwife, the father or mother of the child, or the head of the household, owner of the premises, or manager or superintendent of the public or private institution in which the birth occurred shall notify the local registrar, within ten days after the date of birth, of the fact of the birth.

(3) Upon receipt of notice of birth, as provided in subsection (2), the local registrar shall then secure the necessary information to make a proper certificate of birth, and shall present it to the person who gave him notice of the fact of birth, who shall sign the certificate.

(4) The certificate of birth shall be prescribed and furnished by the State Department of Health and shall be designed with due consideration for national uniformity. All certificates shall be written legibly, in unfading ink, or typewritten. No certificate shall be held to be complete and correct that does not supply all items of information called for therein, or satisfactorily account for their omission *except as provided in KRS 199.570 (3) as amended.* If a certificate of birth is incomplete, the registrar shall immediately notify the informant, and require him to supply the missing items if they can be obtained.

HB 393, AN ACT to require the teaching of the general practice of medicine in all medical schools established and receiving financial assistance from the State of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 164 of the Kentucky Revised Statutes is created to read as follows:

Each and every medical school established and assisted financially by the State of Kentucky shall include in the cur-

riculum a department of general practice of medicine under the direction and supervision of a qualified general practitioner. The minimum requirements for the department shall include courses of study in family care including clinical experience, a program of preceptorships, a program of internships or general practice residencies in a hospital and such other teaching techniques as in the judgment of the management of the school shall be best suited to encourage and implement the preparation of students for the general practice of medicine.

Section 2. This Act shall take effect July 1, 1970.

HB 572, AN ACT relating to narcotic drugs and dangerous drugs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 218.080 of the Kentucky Revised Statutes is amended to read as follows:

Except as otherwise specifically provided in this chapter, such chapter shall not apply to the following cases:

(1) Administering, dispensing or selling at retail of any medicinal preparation that contains in one fluid ounce, or if a solid or semi-solid preparation, in one avoirdupois ounce not more than one grain of codeine or of any of its salts; provided, however, that this exemption shall not apply to such medicinal preparations as are specifically excluded from such exempt status by the regulations of the State Board of Health.

(2) The exemption authorized by this section shall be subject to the following conditions:

(a) That the medicinal preparation administered, dispensed or sold, shall contain, in addition to the narcotic drugs in it, some drug or drugs conferring upon it medicinal qualities other than those possessed by the narcotic drug alone;

(b) That such preparation shall be administered, dispensed and sold in good faith as a medicine, and not for the purpose of evading the provisions of this chapter;

(c) No person shall purchase and no pharmacist shall sell to the same person within a *forty-eight* [twenty-four] hour pe-

riod more than four ounces of such preparations. Any person purchasing in excess of this limitation shall be deemed to be in illegal possession of narcotics;

(d) The sale of preparations exempt under this section at retail shall be by [or under the supervision of] a registered pharmacist or practitioner;

(e) No such preparation shall be displayed in areas of the pharmacy open to the public.

(f) The State Board of Health may adopt regulations relating to the identification and age of the purchaser of exempt narcotic preparations and such other regulations as it deems necessary to properly control the sale of such preparations.

(3) Nothing in this section shall be construed to limit the quantity of codeine or of any of its salts that may be prescribed, administered, dispensed or sold, to any person or for the use of any person or animal, when it is prescribed, administered, dispensed or sold, in compliance with the general provisions of this chapter.

Section 2. Section 218.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every physician, dentist, veterinarian, or other person who is authorized to administer or professionally use narcotic drugs, shall keep a record of such drugs received by him, and a record of all such drugs administered, dispensed, or professionally used by him otherwise than by prescription. It shall, however, be deemed a sufficient compliance with this subsection if any such person using small quantities of solutions or other preparations of such drugs for local application, shall keep a record of the quantity, character, and potency of such solutions or other preparations purchased or made up by him, and of the dates when purchased or made up, without keeping a record of the amount of such solution or other preparation applied by him to individual patients.

(2) Manufacturers and wholesalers shall keep records of all narcotic drugs compounded, mixed, cultivated, grown, or by any other process produced or prepared, and of all narcotic drugs received and disposed of by them, in accordance with the provisions of subsection (5).

(3) Apothecaries shall keep records of all narcotic drugs received and disposed of by them, in accordance with the provisions of subsection (5).

(4) Every person who purchases for resale, or who sells narcotic drug preparations exempted by KRS 218.080, shall keep a record showing the quantities and kinds thereof received and sold, or disposed of otherwise, in accordance with the provisions of subsection (5).

(5) The form of records shall be prescribed by the State Board of Health. The record of narcotic drugs received shall in every case show the date of receipt, the name and address of the person from whom received, and the kind and quantity of drugs received; the kind and quantity of narcotic drugs produced or removed from process of manufacture, and the date of such production or removal from process of manufacture; and the record shall in every case show the proportion of morphine, cocaine, or ecgonine contained in or producible from crude opium or coca leaves received or produced and the proportion of resin contained in or producible from the plant Cannabis Sativa L. The record of all narcotic drugs sold, administered, dispensed, or otherwise disposed of, shall show the date of selling, administering, or dispensing, the name and address of the person to whom, or for whose use, or the owner and species of animal for which the drugs were sold, administered or dispensed, and the kind and quantity of drugs. Every such record shall be kept *at the office or place of business of the person required by law to keep the record* for a period of two years from the date of the transaction recorded. The keeping of a record required by or under the Federal Narcotic Laws, containing substantially the same information as is specified above, shall constitute compliance with this section, except that every such record shall contain a detailed list of narcotic drugs lost, destroyed, or stolen, if any, the kind and quantity of such drugs, and the date of the discovery of such loss, destruction, or theft. A copy of the detailed list of narcotic drugs lost, destroyed, or stolen shall be forwarded to the State Department of Health as soon as practical.

Section 3. Section 217.735 of the Kentucky Revised Statutes is amended to read as follows:

Duly licensed pharmacists, in good faith and in the course of their professional practice only, may possess, sell, dispense and furnish any dangerous drug only upon the prescription of a practitioner and then only if the container of such dangerous drug bears a label showing the name and address of the pharmacy or pharmacist, the name of the person for whom the dangerous drug was prescribed, the name of the prescribing physician, the date of filling the prescription, and if for an animal, the specie and owner of same. All such prescriptions shall be numbered and filed and retained for at least three years *at the pharmacy.* No such prescription shall be refilled except upon authorization of the prescribing practitioner. A record shall be kept of all such refills.

Section 4. Section 217.741 of the Kentucky Revised Statutes is amended to read as follows:

A practitioner, in good faith and in the course of his professional practice only, may possess dangerous drugs in reasonable amounts, and deliver and dispense same to his patients provided the container in which such dangerous drugs are dispensed bears a label showing the name of the practitioner, the name of the person for whom prescribed, date, and directions for use. If prescribed for an animal, the specie and name of the owner shall be shown on the label. The practitioner shall keep a record of such dangerous drugs received by him, and a record of all such drugs administered, dispensed, or professionally used by him otherwise than by prescription *at his office or place of business for a period of three years.*

HB 590, AN ACT relating to the licensing of nursing home administrators.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act may be cited as the "Kentucky Nursing Home Administrators Licensure Act of 1970."

Section 2. As used in this Act:

(1) The term "nursing home" means a place devoted primarily to the maintenance and operation of facilities for the treatment and care of persons who suffer from illness, disease,

deformity or injury not requiring the intensive care normally provided in a hospital, but who do require care in excess of room, board, and laundry and who need medical and nursing care.

(2) The term "nursing home administrator" means any individual responsible for planning, organizing, directing, and controlling the operation of a nursing home, or who in fact performs such functions, whether or not such functions are shared by one or more other persons.

(3) The term "board" means the Kentucky Board of Licensure for Nursing Home Administrators.

Section 3. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

No nursing home shall operate except under the supervision of a nursing home administrator, and no person shall be a nursing home administrator unless he is the holder of a nursing home administrator's license issued pursuant to this Act.

Section 4. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

There shall be a Kentucky Board of Licensure for Nursing Home Administrators located within the State Department of Health for administrative and budgetary purposes. The Board shall be composed of nine members. The Commissioner of Health shall be an ex officio member of the Board and secretary of the Board. The other members of the Board shall be appointed by the Governor after consultation with any associations or professions representative of the vacancies to be filled. One member shall be a practicing hospital administrator. One member shall be a practicing medical physician. One member shall be an educator representing general higher education. One member shall be a citizen at large. The other four members shall be practicing nursing home administrators duly licensed under this Act, except that such members of the initial Board shall be required only to possess the qualifications and be eligible for licensure as required in this Act.

Section 5. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

The appointive members of the Board shall hold office of

terms of four years and until successors are appointed and qualified except that the terms of office of the eight members first appointed shall be as follows: two members shall be appointed for one year, two members shall be appointed for two years, two members shall be appointed for three years and two members shall be appointed for four years and the respective terms of the first members shall be designated by the Governor at the time of their appointment. Thereafter, the term of office of each member shall be four years or until a successor is appointed and qualified. No appointive member shall serve more than two full consecutive terms.

Section 6. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) The board shall elect annually from its membership a chairman and vice-chairman. The board shall hold two or more meetings each year. At any meeting a majority shall constitute a quorum. The board may procure specialized consultation through the formation of such technical advisory committees as it may deem necessary in the execution of its responsibilities.

(2) Members of the board shall serve without pay, but shall be reimbursed for actual and necessary expenses.

Section 7. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) The Board shall:

(a) Develop, impose, and enforce standards which must be met by individuals in order to receive a license as a nursing home administrator, which standards shall be designed to insure that nursing home administrators will be individuals who are of good character and are otherwise suitable, and who, by training or experience in the field of institutional administration, are qualified to serve as nursing home administrators;

(b) Develop and apply appropriate techniques, including examinations and investigations, for determining whether an individual meets such standards;

(c) Issue licenses to individuals determined, after application of such techniques, to meet such standards, and revoke or suspend licenses previously issued by the Board in any case

where the individual holding any such license is determined substantially to have failed to conform to the requirements of such standards;

(d) Establish and carry out procedures designed to insure that individuals licensed as nursing home administrators will, during any period that they serve as such, comply with the requirements of such standards;

(e) Receive, investigate, and take appropriate action with respect to, any charge or complaint filed with the board to the effect that any individual licensed as a nursing home administrator has failed to comply with the requirements of such standards; and

(f) Conduct a continuing study and investigation of nursing homes and administrators of nursing homes within the State with a view to the improvement of the standards imposed for the licensing of such administrators and of procedures and methods for the enforcement of such standards with respect to administrators of nursing homes who have been licensed as such.

(2) The Board or any committee or member thereof or any hearing officer designated by such Board, acting in an official capacity, shall have the authority to issue subpoenas, compel the attendance of witnesses, administer oaths and take testimony concerning all matters within the jurisdiction of the Board. Such Board shall not be bound by the strict rules of evidence in the conduct of its proceedings but any determination made shall be founded upon sufficient legal evidence to sustain them.

(3) The Board shall also have the authority to adopt such rules and regulations as may be necessary for the proper performance of its duties, and to take such other actions as may be necessary to enable the State to meet the requirements set forth in Section 1908 of the Social Security Act, the Federal rules and regulations promulgated thereunder, and other pertinent Federal authority or amendment thereto.

Section 8. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) No person shall be eligible to practice nursing home administration in this state unless:

(a) He shall make written application to the Board on such forms as are provided therefor;

(b) He is at least 21 years of age;

(c) He is a citizen of the United States or has declared his intent to become a citizen of the United States;

(d) He provides proof satisfactory to the Board that he is of good moral character and is otherwise suitable;

(e) He has passed an examination administered by the Board; and

(f) He meets such other requirements as may be established by the Board provided that such requirements are uniform and are applied to all other applicants for a license.

(2) When an applicant shall have met the requirements as provided herein, the Board shall issue to such applicant a license to practice nursing home administration in this State.

Section 9. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

Every holder of a Nursing Home Administrator's License shall renew his license biennially by making application to the Board on forms provided therefor. The Board may refuse to renew any license for failure to comply with the provisions of this Act or the rules and regulations promulgated under this Act including continuing education requirements.

Section 10. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(a) Has served as nursing home administrator during all of the calendar year immediately preceding the effective date of this Act; and

(b) Meets the standards of this Act as described in section 8 (a), (b), (c) and (d) of this Act.

(2) A provisional license shall terminate after two years or at midnight June 30, 1972, whichever is earlier, and shall be cancelled and be of no legal force or effect thereafter.

(3) A provisional license or extension thereof may not be issued to any person after June 30, 1972.

(4) It shall be the Board's responsibility to assure that, during such period as the provisional license section is in effect, that there is provided in this State, a program of training and instruction designed to enable all individuals with respect to whom any such provisional license is granted, to meet the requirements for licensure set forth by the Board and by this Act.

Section 11. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) The Board shall prescribe and collect reasonable fees and charges for processing applications, examinations and issuance of licenses, including renewals.

(2) All fees and charges collected under the provisions of this Act shall be paid into the State Treasury and credited to a Trust and Agency Fund to be used by the Board in defraying the cost and expenses in the administration of this Act.

Section 12. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

If the Board finds that there are not courses of instruction and training sufficient in quantity and quality to meet the requirements of this Act conducted within the State, it may conduct one or more such courses, and shall make provisions for such courses and their accessibility to residents of this State. The Board may approve courses conducted within and without this State as sufficient to meet the education and training requirements of this Act.

Section 13. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

The Board, in its discretion, and otherwise subject to the provisions of this Act and the rules and regulations of the Board promulgated thereunder prescribing the qualifications for a nursing home administrator license, may issue such a license to a nursing home administrator possessing a license issued by the proper authorities of any other State, upon payment of a fee set by the Board, and upon submission of evidence satisfactory to the Board;

(1) That such other State maintained a system and stand-

ard of qualifications and examinations for a nursing home administrator license which were substantially equivalent to those required in this State at the time such other license was issued by such other State; and

(2) That such other State gives similar recognition and endorsement to nursing home administrator licenses of this State.

Section 14. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

Persons aggrieved by orders of the Board may appeal therefrom to the Franklin Circuit Court and thence to the Court of Appeals in the manner provided by law.

Committee Substitute, HB 590, AN ACT relating to the licensing of nursing home administrators.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

This Act may be cited as the "Kentucky Nursing Home Administrators Licensure Act of 1970."

Section 2. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

As used in this Act:

(1) The term "nursing home" means a place devoted primarily to the maintenance and operation of facilities for the treatment and care of persons who suffer from illness, disease, deformity or injury not requiring the intensive care normally provided in a hospital, but who do require care in excess of room, board, and laundry and who need medical and nursing care.

(2) The term "nursing home administrator" means any individual responsible for planning, organizing, directing, and controlling the operation of a nursing home, or who in fact performs such functions, whether or not such functions are shared by one or more other persons.

(3) The term "board" means the Kentucky Board of Licensure for Nursing Home Administrators.

Section 3. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

No nursing home shall operate except under the supervision of a nursing home administrator, and no person shall be a nursing home administrator unless he is the holder of a nursing home administrator's license issued pursuant to this Act.

Section 4. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

There shall be a Kentucky Board of Licensure for Nursing Home Administrators located within the State Department of Health for administrative and budgetary purposes. The Board shall be composed of nine members. The Commissioner of Health shall be an ex officio member of the Board and secretary of the Board. The other member of the Board shall be appointed by the Governor. One member shall be a practicing hospital administrator, to be appointed from a list of two names submitted by the Kentucky Hospital Association. One member shall be a practicing medical physician, to be appointed from a list of two names submitted by the Kentucky State Medical Association. One member shall be an educator in the field of allied health services. One member shall be a citizen at large. The other four members shall be practicing nursing home administrators appointed from a list of two names for each vacancy submitted by the Kentucky Nursing Home Association and duly licensed under this Act, except that such members of the initial Board shall be required only to possess the qualifications and be eligible for licensure as required in this Act.

Section 5. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

The appointive members of the Board shall hold office for terms of four years and until successors are appointed and qualified except that the terms of office of the eight members first appointed shall be as follows: two members shall be appointed for one year, two members shall be appointed for two years, two members shall be appointed for three years and two members shall be appointed for four years and the respective terms of the first members shall be designated by the Governor at the time of their appointment. Thereafter, the term or office of each

member shall be four years or until a successor is appointed and qualified. No appointive member shall serve more than two full consecutive terms.

Section 6. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) The board shall elect annually from its membership a chairman and vice-chairman. The board shall hold two or more meetings each year. At any meeting a majority shall constitute a quorum. The board may procure specialized consultation through the formation of such technical advisory committees as it may deem necessary in the execution of its responsibilities.

(2) Members of the board shall serve without pay, but shall be reimbursed for actual and necessary expenses.

Section 7. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) The Board shall:

(a) Develop, impose, and enforce standards which must be met by individuals in order to receive a license as a nursing home administrator, which standards shall be designed to insure that nursing home administrators will be individuals who are of good character and are otherwise suitable, and who, by training or experience in the field of institutional administration, are qualified to serve as nursing home administrators;

(b) Develop and apply appropriate techniques, including examinations and investigations, for determining whether an individual meets such standards;

(c) Issue licenses to individuals determined, after application of such techniques, to meet such standards, and revoke or suspend licenses previously issued by the Board in any case where the individual holding any such license is determined substantially to have failed to conform to the requirements of such standards;

(d) Establish and carry out procedures designed to insure that individuals licensed as nursing home administrators will, during any period that they serve as such, comply with the requirements of such standards;

(e) Receive, investigate, and take appropriate action with respect to, any charge or complaint filed with the board to the effect that any individual licensed as a nursing home administrator has failed to comply with the requirements of such standards; and

(f) Conduct a continuing study and investigation of nursing homes and administrators of nursing homes with the State with a view to the improvement of the standards imposed for the licensing of such administrators and of procedures and methods for the enforcement of such standards with respect to administors of nursing homes who have been licensed as such.

(2) The Board or any committee or member thereof or any hearing officer designated by such Board, acting in an official capacity, shall have the authority to issue subpoenas, compel the attendance of witnesses, administer oaths and take testimony concerning all matters within the jurisdiction of the Board. Such Board shall not be bound by the strict rules of evidence in the conduct of its proceedings but any determination made shall be founded upon sufficient legal evidence to sustain them.

(3) The Board shall also have the authority to adopt such rules and regulations as may be necessary for the proper performance of its duties, and to take such other actions as may be necessary to enable the State to meet the requirements set forth in Section 1908 of the Social Security Act, the Federal rules and regulations promulgated thereunder, and other pertinent Federal authority or amendment thereto.

(4) The Board may, when emergency conditions warrant, as determined by the Board, authorize the issuance of a temporary permit, to an individual to practice the art of nursing home administration if it finds such authorization will not endanger the health and safety of the occupants of such nursing home. Such temporary permit shall be valid for a period determined by the Board not to exceed six months and shall not be renewed. The fee for a temporary permit shall be determined by regulations of the Board.

Section 8. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) No person shall be eligible to practice nursing home administration in this state unless:

(a) He shall make written application to the Board on such forms as are provided therefor;

(b) He is at least 21 years of age;

(c) He is a citizen of the United States or has declared his intent to become a citizen of the United States;

(d) He provides proof satisfactory to the Board that he is of good moral character and is otherwise suitable;

(e) He has passed an examination administered by the Board; and

(f) He meets such other requirements as may be established by the Board provided that such requirements are uniform and are applied to all other applicants for a license.

(2) When an applicant shall have met the requirements as provided herein, the Board shall issue to such applicant a license to practice nursing home administration in this State.

Section 9. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

Every holder of a Nursing Home Administrator's License shall renew his license biennially by making application to the Board on forms provided therefor. The Board may refuse to renew any license for failure to comply with the provisions of this Act or the rules and regulations promulgated under this Act including continuing education requirements.

Section 10. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) The Board may issue a provisional license to any individual applying therefor who:

(a) Has served as nursing home administrator during all of the calendar year immediately preceding the effective date of this Act; and

(b) Meets the standards of this Act as described in Section 8 (a), (b), (c) and (d) of this Act.

(2) A provisional license shall terminate after two years or at midnight June 30, 1972, whichever is earlier, and shall be cancelled and be of no legal force or effect thereafter.

(3) A provisional license or extension thereof may not be issued to any person after June 30, 1972.

(4) It shall be the Board's responsibility to assure that, during such period as the provisional license section is in effect, that there is provided in this State, a program of training and instruction designed to enable all individuals with respect to whom any such provisional license is granted, to meet the requirements for licensure set forth by the Board and by this Act.

Section 11. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) The Board shall prescribe and collect reasonable fees and charges for processing applications, examinations and issuance of licenses, including renewals.

(2) All fees and charges collected under the provisions of this Act shall be paid into the State Treasury and credited to a Trust and Agency Fund to be used by the Board in defraying the cost and expenses in the administration of this Act.

Section 12. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

If the Board finds that there are not courses of instruction and training sufficient in quantity and quality to meet the requirements of this Act conducted within the State, it may conduct one or more such courses, and shall make provisions for such courses and their accessibility to residents of this State. The Board may approve courses conducted within and without this State as sufficient to meet the education and training requirements of this Act.

Section 13. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

The Board, in its discretion, and otherwise subject to the provisions of this Act and the rules and regulations of the Board promulgated thereunder prescribing the qualifications for a nursing home administrator license, may issue such a license to a

nursing home administrator possessing a license issued by the proper authorities of any other State, upon payment of a fee set by the Board, and upon submission of evidence satisfactory to the Board;

(1) That such other State maintained a system and standard of qualifications and examinations for a nursing home administrator license which were substantially equivalent to those required in this State at the time such other license was issued by such other State; and

(2) That such other State gives similar recognition and endorsement to nursing home administrator licenses of this State.

Section 14. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

Persons aggrieved by orders of the Board may appeal therefrom to the Franklin Circuit Court and thence to the Court of Appeals in the manner provided by law.

Section 15. A new section of Chapter 216 of the Kentucky Revised Statutes is created to read as follows:

(1) It shall be a misdemeanor for any person to:

(a) sell or fraudulently obtain or furnish any license or aid or abet therein, or

(b) practice as a nursing home administrator, under cover of any license illegally or fraudulently obtained or unlawfuly issued, or

(c) practice as a nursing home administrator or use in connection with his or her name any designation tending to imply that he or she is a nursing home administrator unless duly licensed to so practice under the provisions of this Act, or

(d) practice as a nursing home administrator during the time his or her license issued under the provisions of this Act, shall be suspended or revoked, or

(e) otherwise violate any of the provisions of this Act or the rules and regulations of the Board.

(2) Such misdemeanor shall be punishable by a fine of not less than ten dollars ($10) nor more than one hundred dol-

lars ($100), each day of violation shall constitute a separate offense.

Section 16. This Act shall become effective July 1, 1970.

The Committee on Appropriations and Revenue reported **HB 466, HB 638, HB 659, HB 386, HB 341** with Committee Amendments attached thereto, and **HB 610** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 466, AN ACT relating to taxation of cigarettes and prescribing purpose and use of revenues collected.

WHEREAS, the growing of tobacco and the production of tobacco products has and continues to be a very essential contributor to the overall economy of the Commonwealth of Kentucky; and

WHEREAS, tobacco is Kentucky's number one industry and farm product; and

WHEREAS, serious charges have been asserted by various organizations, persons, etc., on a nationwide basis which have created a dilemma relating to the use of tobacco products and health; and

WHEREAS, such unproven and unsubstantiated charges threaten the future of Kentucky's tobacco industry; and

WHEREAS, every effort should be made to prove or disprove the charges against tobacco products and to preserve and strengthen the tobacco industry and tobacco programs in this Commonwealth;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 248 of the Kentucky Revised Statutes is created to read as follows:

(a) Nine permanent members who shall be the following officeholders or shall be designated by the following organiza-

tions: the Kentucky Farm Bureau Federation; the Kentucky Division of the National Farmers Organizations; the Commissioner of the Kentucky Department of Agriculture; the Dean of the University of Kentucky College of Agriculture; the Burley Growers Cooperative Association; the Tobacco Warehouse Association; the Dark Fired Tobacco Association; the Chairman of the Senate Committee on Agriculture and Natural Resources; and the Chairman of the House Committee on Agriculture and Natural Resources.

(b) Three members at large who shall be elected and re-elected by the nine permanent members of the board.

(c) One member who shall be selected by the nine permanent members of the board, and who shall be the president or member of the board of directors of a tobacco company incorporated to do business in Kentucky.

(2) No member of the board shall receive any salary, fee or other remuneration for his services as a member of the board but each member shall be reimbursed for his ordinary travel expenses, including meals and lodging, incurred in the performance of his duties incident to implementation of the provisions of this Act.

(3) The term of the nine members designed in subsection (1) (a) of this section shall not change but shall be permanent members in terms of the organizations and offices named. At large members and the tobacco industry member, shall serve two year terms not to exceed two consecutive terms.

(4) The board shall elect, by a majority vote of the thirteen members, a Chairman who shall be the presiding officer of the board, shall preside at all meetings, and coordinate the fuctions and activities of the board. The Chairman shall be elected or re-elected annually and shall be a permanent member or an at large member of the board. The board shall have such other organization as deemed necessary and approved by the board.

(5) Meetings of the board shall be held at least quarterly but may be held more frequently as deemed necessary subject to call by the Chairman or by request of a majority of the board members. Board meetings shall concern, among other things,

policy matters relating to tobacco research projects and programs, research progress reports, authorization or projects and financial plans, and such other matters as necessary to carry out the intent of this Act.

(6) Seven members of the board shall constitute a quorum for doing business. Each member shall have one vote and a majority vote of the members present shall control on all questions except on questions relating to appropriation of funds which shall require approval by a vote of ten of the full board membership.

Section 2. A new section of Chapter 248 of the Kentucky Revised Statutes is created to read as follows:

The Kentucky Tobacco Research Board shall:

(1) Formulate policies and procedures as necessary to carry out the provisions of this Act.

(2) Promulgate rules and regulations as necessary to carry out the provisions of this Act and to ensure proper expenditure of State funds appropriated for the purposes of this Act.

(3) Review and authorize tobacco research projects and programs to be undertaken and financed under the provisions of this Act.

(4) Review and approve all progress and final research reports on projects authorized under the provisions of this Act.

(5) Ensure that state funds, appropriated by this Act or any other Act for tobacco research, are not diverted to any other use and that all authorized research projects are directed toward improvements in the tobacco industry, and more specifically toward proving or disproving questions of health hazards to tobacco users and toward preserving and strengthening the tobacco industry in Kentucky.

(6) Provide the Governor, the General Assembly, and the Legislative Research Commission an annual report by January 30 of each year showing the status of funds appropriated under this Act for tobacco research and the progress of the board in terms of the results of its tobacco research efforts.

(7) Advise the General Assembly by January 30 during

each regular session of the need for continuation of the Kentucky Tobacco Research Board and the tax levied by this Act for the purpose of financing tobacco research programs as provided herein.

(8) Approve and release public statements relating to the progress and results of tobacco research projects.

Section 3. A new section of Chapter 248 of the Kentucky Revised Statutes is created to read as follows:

(1) The board is authorized to employ a technical adviser who shall: (a) consult with and advise the board on matters related to tobacco research projects; (b) study and analyze progress reports submitted by the research staff of the University of Kentucky Tobacco and Health Research Institute as provided in Section 8 of this Act; (c) perform such other duties as may be required by the board.

(2) The technical adviser shall be a person engaged in medical research but not connected by employment, research grant or otherwise, with the University of Kentucky Tobacco and Health Research Institute. He may be employed on a full-time or part-time basis as the situation demands, but shall be paid a regular retainer fee if employed on a part-time basis.

(3) The technical adviser shall attend all board meetings and shall perform such other duties and activities as may be required by the board.

Section 4. Section 138.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) A tax shall be paid on the sale of cigarettes within the state at a proportionate rate of *three* [two and one-half] cents on each twenty cigarettes. This tax shall be paid only once, regardless of the number of times the cigarettes may be sold in this state.

(2) The burden of paying such tax shall be passed, through subsequent sales of the cigarettes taxed, to the ultimate purchasers and consumers of such cigarettes, and such tax so passed shall be deemed a direct tax paid by the said ultimate purchasers and consumers.

Section 5. A new section of Chapter 138 of the Kentucky Revised Statutes is created to read as follows:

(1) Upon all cigarettes upon which the tax imposed by subsection (1) of KRS 138.140 as such statutes existed on January 1, 1970, has been paid, and which on July 1, 1970, are held and intended for sale, there shall be levied, assessed, collected and paid a "floor stocks" tax at rates equal to three cents on each twenty cigarettes or fraction thereof, less the credits allowed under subsection (2) of this section.

(2) The tax levied under subsection (1) of this section shall be credited with the amount of taxes paid pursuant to subsection (1) of KRS 138.140 as such statute existed on January 1, 1970, on cigarettes subject to the tax levied by subsection (1) of this section.

(3) Under such regulations as the Department of Revenue shall prescribe, every person required by subsection (1) of this section to pay any "floor stocks" tax shall on or before July 15, 1970, make a return and pay such tax to the Department of Revenue. Payment of the tax shown to be due may be extended to a date not later than September 1, 1970, under such regulations as the Department of Revenue shall prescribe.

(4) Any person who fails to pay the tax levied by this section at the time prescribed in subsection (3) of this section for payment shall pay a penalty of twenty percent of the amount of tax due. Such penalty shall be assessed by the Department of Revenue and may be reviewed only as prescribed in KRS 131.110.

(5) Any person who violates any of the provisions of this section shall be fined not less than fifty dollars nor more than one thousand dollars or be imprisoned for not less than thirty days nor more than one year, or both.

Section 6. A new section of Chapter 248 of the Kentucky Revised Statutes is created to read as follows:

(1) The tax revenues received from the additional one-half cent tax levied by this Act shall be credited to a Tobacco Research-Trust Fund which is hereby created.

(2) Federal funds which may be made available to supplement or match state funds for tobacco research programs pro-

vided for by this Act shall be credited to the Trust Fund created in subsection (1) of this section.

(3) Funds deposited to the credit of the Tobacco Research-Trust Fund shall be used to finance the tobacco research programs authorized under the provisions of this Act and for no other purpose.

(4) Funds unexpended at the close of a fiscal year shall not lapse but shall be carried forward to the next fiscal year or biennium, provided, however, that such surplus shall be included in the budget considered and approved by the board for the ensuing period.

Section 7. A new section of Chapter 248 of the Kentucky Revised Statutes is created to read as follows:

(1) The amount of revenues collected and/or credited to the Tobacco Research-Trust Fund shall be appropriated each year to the University of Kentucky Tobacco and Health Research Institute to finance tobacco research projects and programs as provided herein and shall be expended by the Institute only on those projects and programs authorized by the Kentucky Tobacco Research Board.

(2) The Department of Revenue shall supply revenue estimates of the amount of revenue anticipated to be collected during each fiscal year by the added one-half cent tax on cigarettes which estimate, along with any federal funds available, shall be the basis for preparing tobacco research programs and budget requests for each fiscal year.

Section 8. A new section of Chapter 248 of the Kentucky Revised Statutes is created to read as follows:

(1) The University of Kentucky Tobacco and Health Research Institute shall prepare a proposed tobacco research program and budget request for each fiscal year and shall present such documents to the Kentucky Tobacco Research Board for consideration and approval. The budget shall be based on revenue estimates as provided in Section 7 of this Act.

(2) The budget shall provide for payment of expenses incurred by Kentucky Tobacco Research Board members as pro-

vided in subsection (2) of Section 1 and for the technical adviser as provided by Section 3 of this Act, and for such other administrative costs of the board.

(3) The Kentucky Tobacco Research Board shall consider the University recommendations and shall approve a budget for each fiscal year which shall be the basis for expending funds appropriated by this Act. The budget and proposed research program shall be considered by the board in terms of the intent of this Act.

(4) The University is authorized to proceed to execute the budget approved by the Kentucky Tobacco Research Board and may expend funds accordingly, and, the Department of Finance is hereby authorized to issue warrants for this purpose upon request by the University.

(5) Copies of the approved budget shall be filed by the board with the Legislative Research Commission and the Department of Finance.

Section 9. A new section of Chapter 248 of the Kentucky Revised Statutes is created to read as follows:

(1) The Department of Finance and the University of Kentucky shall maintain such records as necessary to account for all receipts and expenditures credited to or charged against the Tobacco Research-Trust Fund and shall establish such rules and regulations as may be necessary to implement the provisions of this Act.

(2) The University of Kentucky shall furnish to the Kentucky Tobacco Research Board a quarterly financial report showing the status of funds and the status of all research projects authorized under the provisions of this Act.

Section 10. The provisions of this Act shall become effective July 1, 1970.

HB 638, AN ACT relating to private corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 271.385 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every domestic corporation shall maintain an office in this state to be known as its registered office and shall have an authorized agent upon whom process can be served. The location and post-office address of the original registered office, and the name and address of the original agent, shall be stated in the articles of incorporation as provided in subsection (1) of KRS 271.035.

(2) Every foreign corporation, except foreign insurance companies, carrying on business in this state, shall at all times have an office in this state and an authorized agent in this state upon whom process can be served. A statement, signed by the president or secretary of the corporation, giving the location and post-office address of the office and the name and address of the agent, shall be filed with the Secretary of State at the same time the certified copy of the articles of incorporation is filed as provided in subsection (3) of KRS 271.055.

(3) When any change is made in the location and post-office address of the registered office of a domestic corporation, or of the Kentucky office of a foreign corporation, or in the name or address of the process agent of any corporation, the corporation shall at once file with the Secretary of State a statement of the change. The former agent shall remain agent for the purpose of service of process until a statement designating the new agent is filed.

(4) The Secretary of State shall charge a fee of $5.00 for the filing of each statement mentioned in subsections (2) and (3) of this section.

(5) Every domestic corporation shall, in June of each year, file with the Secretary of State a statement verifying the correctness of the location and postoffice address of its registered office and the name of its agent designated for the service of process, and pay a fee of *$5.00* [two dollars]. If the statement is not filed in June of each year the Secretary of State shall mail *to the corporation at its registered office a notice that if the statement is not filed within 6 months after the mailing of the notice, the corporation shall cease to be in good standing. If, within*

said 6 months period, the statement is not filed, the corporation shall cease to be in good standing and thereafter it shall not be permitted to institute or maintain any action in any court of the Commonwealth of Kentucky unitl it has filed all statements required herein. [notice to the corporation as a warning that its certificate of incorporation will be revoked if the statement of verification is not filed within two years after mailing of the notice. If the statement is not then filed within two years, the Secretary of State shall revoke the certificate of incorporation and mail notice thereof to the corporation at its registered office.]

(6) Every foreign corporation shall, in June of each year, file a statement of existence with the Secretary of State in such form and containing such information as may be prescribed by him, and pay a fee of *$10.00* [four dollars]. The statement of existence shall also contain a statement verifying the correctness of the location and post-office address of the corporations' office and the name of its agent designated for the service of process. If the statement is not filed in June of each year the Secretary of State shall mail *to the corporation as its registered office a notice that if the statement is not filed within 6 months after the mailing of the notice, the corporation shall cease to be in good standing. If, within said 6 months period, the statement is not filed, the corporation shall cease to be in good standing, and thereafter it shall not be permitted to institute or maintain any action in any court of the Commonwealth of Kentucky until it has filed all statements required herein.* [notice to the corporation as a warning that its right to do business in this state will automatically cease if the statement of existence is not filed within thirty days after mailing of the notice. If the statement is not then filed within thirty days, the Secretary of State shall record the fact of such cessation of right and mail notice thereof to the corporation at its last known place of business in Kentucky.]

(7) The agent for service of process provided for in this section may be either an individual resident of this state, or a corporation authorized to transact business in this state and authorized by its articles or certificate of incorporation to act as such an agent. Service of process upon a corporate agent, as such agent, may be had by delivering a copy of the process to

the president, a vice-president, the secretary, or an assistant secretary of such corporate agent.

Section 2. A new section of Chapter 271 of the Kentucky Revised Statutes is created to read as follows:

The corporate existence of each domestic corporation which, upon the effective date of this Act, is listed as an existing corporation on the current corporate index maintained in the office of the Secretary of State and is then engaged in the usual course of its business shall be, and it hereby is, validated retroactively to the date of its incorporation and continued for the period specified in its articles of incorporation and the amendments thereto, or for a period of 5 years from the effective date of this Act, whichever is greater, unless thereafter it is voluntarily dissolved or liquidated pursuant to law, or its separate existence ceases pursuant to KRS 271.485, or it is involuntarily dissolved pursuant to 271.570 to 271.575, or it has its corporate powers revoked pursuant to KRS 271.590, or its charter is repealed or vacated pursuant to KRS Chapter 415, or in an action instituted after 1 year after the effective date of this Act it is involuntarily dissolved, wound up and terminated pursuant to KRS 271.105.

Section 3. A new section of Chapter 271 of the Kentucky Revised Statutes is created to read as follows:

Any corporation which was in existence at the time of the adoption of the present Constitution of this state and subsequent thereto has filed in the office of the Secretary of State any amendment of its charter or articles of incorporation shall thereby be deemed to have filed therein an acceptance of the provisions of that Constitution.

Section 4. A new section of Chapter 271 of the Kentucky Revised Statutes is created to read as follows:

If any provision of this Act or the application thereof to any circumstances is held invalid, the invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to that end the provisions of this Act are severable.

HB 659, AN ACT relating to municipal electric plants.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 96.820 of the Kentucky Revised Statutes is repealed.

Section 2. A new section of Chapter 96 of the Kentucky Revised Statutes, to be known as Section 96.820, is created to read as follows:

(1) For the purposes of this section, unless the context requires otherwise:

(a) "Taxing jurisdiction" shall mean each county, each school district, each municipality, and each other special taxing district located within the state.

(b) "State" shall mean the Commonwealth of Kentucky.

(c) "Tax equivalent" shall mean the amount in lieu of taxes computed according to this section which is required to be paid by each board to the state and to each taxing jurisdiction in which the board operates and required by subsection (11) of KRS 96.570 to be included in resale rates.

(d) "Tax year" shall mean the twelve-calendar-month period ending with December 31.

(e) "Current tax rate" shall mean the actual levied ad valorem property tax rate of the state and of each taxing jurisdiction which is applicable to all property of the same class as a board's property subject to taxation for the tax year involved.

(f) "Book value of property" or "book value of property owned by the board" shall mean the sum of (1) the original cost (less reasonable depreciation or retirement reserve) of a board's electric plant in service on December 31 of the immediately preceding calendar year located within the state, used and held for use in the transmission, distribution, and generation of electric energy and (2) the cost of the material and supplies owned by a board on December 31 of the immediately preceding calendar year. For the purpose of this definition, "electric plant in service" shall mean those items included in the "electric plant in service" account prescribed by the Federal Power Commission Uniform System of Accounts for Electric Utilities, and

"material and supplies" shall mean those items included in the accounts grouped under the heading "Material and Supplies" in the said system of accounts.

(g) "Adjusted book value of property" or "adjusted book value of property owned by the board" shall mean the book value of property owned by the board excluding manufacturing machinery as interpreted by the Department of Revenue for franchise tax determination purposes.

(h) The "adjustment factor" shall be one hundred twenty-five (125) percent for the tax year 1970. For each tax year thereafter, it shall be the duty of the Department of Revenue to compute the adjustment factor for that tax year as follows: For each five (5) percentage points or major fraction thereof by which the adjustment ratio for electric utility property for the immediately preceding tax year exceeded or was less than one hundred sixteen (116) percent, five (5) percentage points shall be added to or subtracted from one hundred twenty-five (125) percent. For the purposes of this computation, "adjustment ratio for electric utility property" shall mean the ratio of total assessed value to total property value for all public service corporations distributing electric energy to more than 50,000 retail electric customers within the state. "Total assessed value" shall mean the total actual cash value assigned by the Department of Revenue for ad valorem property tax purposes to the property of such corporations located within the state (properly adjusted for property under construction). "Total property value" shall mean the sum of (1) the depreciated original cost of the total utility plant in service of such corporations within the state and (2) the book value of material and supplies of such corporations located within the state, both as derived from published reports of the Federal Power Commission, or in the absence thereof, from information provided to the Department of Revenue by such corporations.

(i) "Electric operations" shall mean all activities associated with the establishment, development, administration, and operation of any electric system and the supplying of electric energy and associated services to the public, including without limitation the generation, purchase, sale, and resale of electric energy and the purchase, use, and consumption thereof by ultimate consumers.

(2) It shall be the duty of each board, on or before the thirtieth day following the day on which this act becomes a law, and on or before March 31 of each succeeding tax year, to certify to the Department of Revenue the book value of property owned by the board and the adjusted book value of property owned by the board and located within the state and within each taxing jurisdiction in which the board operates. A copy of such certification shall also be sent by the board to each such taxing jurisdiction. Said book value of property and adjusted book value of property shall be determined, and the books and records of the board shall be kept in accordance with standard accounting practices, and the books and records of each board shall be subject to inspection by the Department of Revenue and by representatives of the affected taxing jurisdictions and to adjustment by the Department of Revenue if found not to comply with the provisions of this sentence. Upon the receipt of the required certification from a board, the Department of Revenue shall make such inspection and adjustment, hereinabove authorized, as it deems necessary, and no earlier than September 1 of each year the Department of Revenue shall certify to the board and to the county court clerk of each county in which the board operates the book value of property owned by the board and the adjusted book value of property owned by the board, located within each taxing jurisdiction in which the board operates and within the state. At the same time, the Department of Revenue shall certify to the board and to the said county court clerk the adjustment factor for that tax year. The said county court clerk shall promptly certify the book value of property, the adjusted book value of property, and the adjustment factor certified by the Department of Revenue, to the respective taxing jurisdiction in which the board operates.

(3) (a) Each board shall pay for each tax year, beginning with the tax year 1970, to the state and to each taxing jurisdiction in which the board operates, a tax equivalent from the revenues derived from the board's electric operations for that tax year, computed according to this subsection.

(b) The tax equivalent for each tax year payable to the state shall be the total of (1) the book value of the property owned by the board within the state, multiplied by the adjustment factor, multiplied by the current tax rate of the state,

plus (2) the state's portion of the amount payable under paragraph (d) of this subsection.

(c) The tax equivalent for each tax year payable to each taxing jurisdiction in which the board operates shall be the total of (1) the adjusted book value of property owned by the board within the taxing jurisdiction, multiplied by the adjustment factor, multiplied by the current tax rate of the taxing jurisdiction, plus (2) the taxing jurisdiction's portion of the amount payable under paragraph (d) of this subsection.

(d) For purposes of this subsection, "amount payable" shall mean four-tenths of one percent (0.004) of the book value of property owned by the board located within the state. The state shall be paid the same proportion of the amount payable as the payment to the state under clause (1) of paragraph (b) of this subsection represents of the total payments to the state and all taxing jurisdictions in which the board operates required by clause (1) of paragraph (b) and clause (1) of paragraph (c) of this subsection. Each taxing jurisdiction in which the board operates shall be paid the same proportion of the amount payable as the payment to the taxing jurisdiction under clause (1) of paragraph (c) of this subsection represents of the total payments to the state and all taxing jurisdictions in which the board operates required by clause (1) of paragraph (b) and clause (1) of paragraph (c) of this subsection. Under such regulations as the Department of Revenue may prescribe, upon the board's receipt from the state and taxing jurisdictions of notice of the amount due under clause (1) of paragraph (b) and clause (1) of paragraph (c) of this subsection, the board shall compute the portion of the amount payable which is due the state and each taxing jurisdiction in which the board operates.

(e) Payment of the tax equivalent under this section for each tax year shall be made by each board to the state within thirty days after receipt by the board of the certification from the Department of Revenue required by subsection (2) of this section and shall be made directly to each taxing jurisdiction in which the board operates within 30 days from the date of the certifications by the county court clerk required by subsection (2) of this section. The state and each taxing jurisdiction in which a board operates shall have a superior lien upon the

proceeds of the sale of electric energy by that board for the amounts required by this section to be paid to it.

(4) The tax equivalents computed under this section shall be in lieu of all state, municipal, county, school district, special taxing district, other taxing district, and other state and local taxes or charges on the tangible and intangible property, the income, franchises, rights, and resources of every kind and description of any municipal electric system operating under KRS 96.550 to 96.900 and on the electric operations of any board established pursuant thereto, and the tax equivalent for any tax year computed and payable under subsections (3) or (5) of this section to the state or to any taxing jurisdiction in which any board operates shall be reduced by the aggregate amount of any tax or charge within the meaning of this sentence which is imposed by the state, or by any taxing jurisdiction in which a board operates, on the board, the electric system, or the board's electric operations. Provided, however, that if any school district in which property of a board is located has elected or does hereafter elect to apply the utility gross receipts license tax for schools to all utility services, as provided by KRS 160.613 through KRS 160.617, such board shall pay an amount to such school district equal to the amount which would be payable if the utility gross receipts license tax were applicable to the board's electric operations in such school district; such utility gross receipts license tax shall not be deemed a tax or charge within the meaning of the first sentence of this subsection; and the amount of tax equivalent payable for the tax year to such school district under this section shall not be reduced on account of the additional payment provided for herein. Provided, further, that if the state shall levy a statewide retail sales or use tax on electric power or energy, collected by retailers of such energy from the vendees or users thereof, and imposed at the same rate or rates as are generally applicable to the sale or use of personal property or services, including natural or artificial gas, fuel oil, and coal as well as electric power or energy, such retail sales or use tax shall not be deemed to be a tax or charge within the meaning of the first sentence of this subsection, and the tax equivalent payable for the tax year to the state under this section shall not be reduced on account of such retail sales or use tax.

(5) (a) Notwithstanding subsection (3) of this section, until the first tax year in which the total of (1) the tax equivalent payable to the state, or to any taxing jurisdiction in which the board operates, computed under subsection (3) of this section, plus (2) the additional amounts permitted to be paid to the state or taxing jurisdiction without deduction under the second and third sentences of subsection (4) of this section, exceeds the minimum payment to the state or taxing jurisdiction specified in paragraph (b) of this subsection, the tax equivalent for each tax year payable to the state or taxing jurisdiction shall be an amount equal to the minimum payment computed under paragraph (b) of this subsection.

(b) For purposes of this subsection, the minimum payment to the state or to any taxing jurisdiction in which the board operates shall mean an amount equal to the total of (1) the largest actual payment made by the board pursuant to KRS 96.820 to the state or to the taxing jurisdiction for any of the tax years 1964, 1965, or 1966, plus (2) the state's or taxing jurisdiction's pro rata share of an amount equal to four-tenths of one percent (0.004) of the increase since July 1, 1964, in the book value of property owned by the board within the state. For the purposes of this paragraph "pro rata share" shall mean the same proportion of the amount computed under clause (2) of the first sentence of this paragraph as the largest actual payment in lieu of taxes made by the board to the state or taxing jurisdiction for the applicable tax year under clause (1) of the first sentence of this paragraph represents of the total amount of the largest actual payments in lieu of taxes made by the board to the state and to all taxing jurisdictions in which it operated for any of such applicable tax years.

(c) The provisions of paragraph (e) of subsection (3) of this section shall apply to all payments required under this subsection.

(d) This subsection shall not be applicable for the first tax year specified in paragraph (a) of this subsection or for any tax year thereafter.

(6) The General Assembly hereby recognizes that a dispute has arisen concerning the validity, terms, and effects of the amendments to KRS 96.820 in the 1968 regular session of the

General Assembly and that this dispute has resulted in litigation concerning tax equivalents due for the tax years 1968 and 1969.

(7) The General Assembly hereby declares its intention that any taxing jurisdiction and any board, whether or not a party to such litigation, may enter into a binding compromise settlement agreement under which the board may pay and the taxing jurisdiction may accept in full discharge of the board's tax equivalent payment obligations for each of the tax years 1968 and 1969 such amount as they may agree upon, not less than the payment made by the board to the taxing jurisdiction for the tax year 1965, and not more than 120 percent of the largest payment made by the board to the taxing jurisdiction for any one of the tax years 1964, 1965, or 1966. All amounts heretofore paid for the tax years 1968 and 1969 by the respective boards shall be credited against and deducted from the amounts payable under any such agreements.

HB 386, AN ACT relating to travel expenses of state officers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 45.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as otherwise provided by law, each state officer or employe who is authorized by law to receive, from corporations or from the State Treasury or any fund appropriated out of the State Treasury, his traveling or other expenses incident to the discharge of his official duties, shall submit to the Department of Finance an itemized statement of such expenses, accompanied by a receipt for each item of expense in excess of two dollars, before the department shall audit or pay such expenses. The Department of Finance may rely on a preaudit performed by the budget unit as a basis for issuing a warrant.

(2) The Department of Finance may issue rules and regulations to permit state agencies and institutions to contract with airlines, railroads, hotels or other companies for services to a group of their employes while on official travel status. Such expenses are to be submitted to the Department of Finance on forms prescribed by the Department of Finance before the department shall audit or pay such expenses.

(3) The Department of Finance may issue rules and regulations to permit state officers or employes to assign their claim for reimbursement of travel expenses to airlines, railroad, hotel, or other companies in payment of services rendered as provided for in subsection (2) of this section and as shown on the itemized statement and receipts as provided for in subsection (1) of this section, which statement and receipts shall indicate that such company has extended credit to said officer or employe in the name of the state and incident to the discharge of his official duties.

(4) *(a) Except as provided in paragraph (b) of this subsection,* each state officer or employe who by reason of the duties assigned to his office, is required to be at the state capital for the majority of the time, or who has an office located at the state capital, shall not be permitted to charge for expenses except from the state capital to the place where the business he is transacting is to be transacted, and from that place back to the state capital, and each officer or employe who is assigned to duty at some place other than the state capital shall only be permitted to charge to the state such expenses as are incurred in going from that place to the place where the business is transacted, and returning. Expenses in going from the state capital or the place where the officer or employe is assigned to duty to the officer's or employe's real place of residence, or in return therefrom, shall not be allowed unless it is shown that it was necessary for him to make the trip in the discharge of business for the state.

(b) Each state officer who is required under the Constitution to reside in the district in which he is elected, but whose official duties require him to maintain at the state capital a permanent office on a full-time basis, shall receive travel expenses for mileage travelled and toll road fees paid for each trip actually made between the state capital and the place of his permanent residence, under such rules and regulations as the Department of Finance may prescribe. The number of trips for which travel expenses may be paid under this paragraph with respect to any eligible state officer shall not exceed 40 per calendar year.

(5) The Department of Finance may issue rules and regulations to permit the payment of travel and other expenses incidental to the official activities of formally organized groups spon-

sored by or otherwise representing state agencies. The payment may be made direct to service establishments in the manner set forth in subsection (3) of this section, by an inter-account bill between budget units, or by reimbursement to the official or other employe who has been designated as the officer-in-charge of the organized group. If it is necessary that one or more state employes or officials travel with the group, their expenses may be included in the total expenses for the group.

(6) The Department of Finance may issue rules and regulations allowing heads of budget units to establish imprest cash funds for reimbursement of travel expenses.

HB 341, AN ACT relating to alcoholic and malt beverages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 243.030 of the Kentucky Revised Statutes is amended to read as follows:

The following kinds of distilled spirits and wine licenses may be issued by the Administrator of the Distilled Spirits Unit, the fees for which shall be:

---

(1) Distiller's license, per annum _____ [$ 500.00]

Graduated as to bushels of grain mashed

(a) Up to 600 bushels per day __ $ 500.00

(b) 601 to 1500 bushels per day_ $ 700.00

(c) 1501 to 3000 bushels per day_ $1000.00

(d) 3001 to 6000 bushels per day_ $1500.00

(e) 6001 or more bushels per day $2000.00

(2) Rectifier's *(including blender's)* license, per annum _____ $1500.00

[(3) Blender's license, per annum] ____ [$ 500.00]

(3) [(4)] Vintner's license, per annum_ *$1000.00* [500.00]

(4) [(5)] Wholesaler's license, per annum _____ *$1500.00* [1000.00]

(5) [(6)] Retail package license, per annum [:] ---------- *$ 800.00*

[(a) In counties containing cities of the first class ---------- $ 600.00]

[(b) In counties containing cities of the second class ---------- $ 500.00]

[(c) In counties containing cities of the third class ---------- $ 400.00]

[(d) In counties containing cities of the fourth class ---------- $ 300.00]

[(e) In all other counties ---------- $ 200.00]

(6) [(7)] Retail drink license, per annum [:] ---------- *$1000.00*

[(a) In counties containing cities of the first class ---------- 800.00]

[(b) In counties containing cities of the second class ---------- 500.00]

[(c) In counties containing cities of the third class ---------- 400.00]

(7) [(8)] Transporter's license, *Non-stop*, per annum ---------- $ 10.00

(8) Transporter's license, non-resident, per annum, $2500 bond required -- *$ 25.00*

(9) Transporter's license, commercial carrier, per annum ---------- *$ 50.00*

[(9) Dining car license, per annum] --[$ 50.00]

(10) Railway system license, per annum $1000.00

(11) Intra-state airline license, per annum ---------- $ 100.00

(12) [(10)] Special nonbeverage alcohol vendor's license, per annum -- $ *25.00* [2.00]

(13) [(11)] Special industrial alcohol license, per annum ---------- $ *25.00* [2.00]

(14) [(12)] Special nonindustrial alcohol license, per annum ---------- $ *15.00* [2.00]

(15)	*Special confectioner's license, per annum*	*$ 25.00*	
(16)	[(13)] Special agent's or solicitor's license, per annum	*$ 50.00*	[2.00]
(17)	[(14)] [Special] Storage or warehouse license, per annum	*$ 100.00*	[50.00]
(18)	[(15)] Special temporary *drink* license, per month or part of month [one-sixth of the fees enumerated in subsection (7)].		
(19)	[(16)] Special private club license, per annum	*$ 200.00*	[150.00]
(20)	*Bonded warehouse license, per annum*	*$ 50.00*	
(21)	[(17)] Such other special license as the board may find necessary for the proper regulation and control of the traffic in distilled spirits and wine and may provide for by regulation. In fixing the amount of license taxes that are required to be fixed by the board, it shall have regard for the value of the privilege granted.		

Section 2. Section 243.040 of the Kentucky Revised Statutes is amended to read as follows:

The following kinds of malt beverage licenses may be issued by the Administrator of the Malt Beverages Unit, the fees for which shall be:

(1)	Brewer's license, per annum	*$1500.00*	[1000.00]
(2)	Distributor's license, per annum	*$ 500.00*	[100.00]
(3)	*Retail package carryout license* [Retailer's license], per annum	*$ 75.00*	[25.00]

(4)	*Retail package and drink license, per annum*	*$ 125.00*	
(5)	[(4)] Dining car license, per annum	$ *50.00*	[25.00]
(6)	[(5)] Transporter's license, *non-stop* per annum	$ *10.00*	[5.00]
(7)	*Transporter's license, non-resident, per annum*	*$ 25.00*	
(8)	*Transporter's license, common carrier, per annum*	*$ 50.00*	
(9)	[(6)] Special temporary license, per month or part of month	$ *25.00*	[4.17]
(10)	[(7)] Such other special licenses as the state board finds to be necessary for the administration of Chapters 241, 243 and 244 and for the proper regulation and control of the trafficking in malt beverages, which may be provided for by regulation and adopted by the state board.		

Applicants for special licenses provided for under the authority granted in subsection (7) may be exempt from so much of the provisions of subsection (3) of KRS 243.100 and [subsection (3)] of KRS 244.090 as the board by regulation prescribes.

Section 3. A new section of Chapter 243 of the Kentucky Revised Statutes is created to read as follows:

A malt beverage retail package license shall authorize the licensee to sell malt beverages at retail in their original containers for consumption off the licensed premises only and to purchase malt beverages only from a brewer or distributor.

Section 4. Section 243.070 of the Kentucky Revised Statutes is amended to read as follows:

The city legislative body of any city in which traffic in alcoholic beverages is not prohibited under KRS Chapter 242

may impose license fees for the privilege of manufacturing and trafficking in alcoholic beverages. Only such licenses may be issued as correspond, in their provisions and the business authorized, to the licenses provided for in subsections (1), (2), *(4)* [(3)], (5), (6), *(18) and (19)* [(7), (15) and (16)] of KRS 243.030 and subsections (1), (2), (3), *(4)* and *(9)* [(6)] of KRS 243.040. The fees imposed shall not exceed [twice] the amount of the fees imposed in KRS 243.030 and 243.040 for such licenses, except that the fee for a malt beverage retailer's license may be fixed at not exceeding two hundred dollars, the fee for a brewer's license shall not exceed five hundred dollars, and the fee for a distiller's license shall not exceed five hundred dollars.

Section 5. Section 243.080 of the Kentucky Revised Statutes is amended to read as follows:

A malt beverage *retail drink and package* [retailer's] license shall authorize the licensee to sell malt beverages at retail from the licensed premises only, *both for consumption on the licensed premises and for consumption off the licensed premises,* and to purchase malt beverages only from a brewer or distributor.

The Committee Amendment No. 1 to **HB 341** is as follows:

Amend printed copy of House Bill 341 on page 1, line 8, by:

striking the words *"bushels of grain mashed"* and substituting therefor the words *"bushel mashing capacity on a 24-hour day basis:"*

The Committee Amendment No. 2 to **HB 341** is as follows:

Amend printed copy of House Bill 341 on page 2, line 8, by:

striking *"$800.00"* and inserting in lieu thereof *"$400.00";*

and on page 2, line 19, by striking *"$1000.00"* and inserting in lieu thereof *"$600.00";*

and on page 3, line 17, by striking *"$50.00"* and inserting in lieu thereof *"$25.00";*

and on page 3, line 21, by adding after the word "month" the figure *"$150.00";*

and on page 5, line 24, by adding after the word "distributor." the following: "In all counties except those containing a city of

the first class, the license authorized by this section shall be the only type malt beverage license issued to premises used for a grocery store or a retail package liquor store.";

and on page 6, line 14, by striking "243.080" and inserting in lieu thereof "243.280".

HB 610, AN ACT relating to Finance and Revenue for a county containing a city of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 68 of the Kentucky Revised Statutes is created to read as follows:

(1) The fiscal court of a county containing a city of the first class may impose a license fee not to exceed fifty cents on each admission fee charged by persons, corporations, or institutions conducting athletic contests within the county.

(2) The fiscal court by order or resolution shall provide for the collection of the fees and state for what purpose the revenue is to be used.

(3) Any amount paid on the same type of license fee to a city which enacts a similar ordinance under the authority of KRS 92.281 shall be credited against the fee levied by the county.

(4) The license fee authorized under this Act shall not apply to admission charges to race tracks at which races are conducted for stakes, purses or prizes were pari-mutuel machines or similar devices are used.

Section 2. This Act shall become effective July 1, 1970.

Committee Substitute HB 610, AN ACT relating to Finance and Revenue for a county containing a city of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 68 of the Kentucky Revised Statutes is created to read as follows:

(1) The fiscal court of a county containing a city of the first class may impose a license fee not to exceed fifty cents

on each admission fee charged by persons, corporations, or institutions conducting college and professional athletic contests within the county and a license fee not to exceed fifteen cents on each admission fee charged by persons, corporations, or institutions conducting high school athletic contests at a state-owned facility within the county.

(2) The fiscal court by order or resolution shall provide for the collection of the fees and the proceeds of the fees collected shall be used for construction of an athletic stadium within the county.

The Committee on Labor and Industry reported **HB 560, HB 561** and **HB 580** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 560, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) In all other cases of permanent partial disability, including any disfigurement which will impair the future usefulness or occupational opportunities of the injured employe, or employe disabled by an occupational disease, compensation shall be determined according to the percentage of disability, taking into account, among other things, any previous disability, the nature of the physical injury or disfigurement, *any functional disability or disfigurement,* the occupation of the injured employe and age at the time of injury or at the time the disability from an occupational disease began, *notwithstanding the employe's working status or earnings subsequent to the injury or contracting the occupational disease.*

(2) Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it adversely affects a workman's general ability to labor, or limits his occupational op-

portunities to obtain the kind of work he is customarily able to do.

(3) The compensation paid therefor shall be sixty-six and two-thirds percent of the average weekly earnings of the employe, subject to the limitations contained in KRS 342.070(5), multiplied by the percentage of disability caused by the injury or occupational disease, for such period as the board determines, not exceeding four hundred weeks. Compensation payable under this section shall not be affected by the earnings of the employe after the accident, or after his disability from an occupational disease, whether they be the same, or greater, or less than prior to the accident or disability from an occupational disease. Whenever the weekly payments under this section would be less than the minimum weekly benefit set out in KRS 342.070(5), the period may be shortened and the payments correspondingly increased to that amount. Where compensation, except as provided in KRS 342.020 and 342.030, is paid under any other provision of this chapter, the period during which such other compensation is paid shall be deducted from the maximum period which may be paid under this section.

HB 561, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.105 of the Kentucky Revised Statutes is amended to read as follows:

For injuries or disabilities from an occupational disease enumerated in the following schedule the employe shall receive, in addition to [temporary] total disability compensation for the period of actual total disability, [not exceeding twenty weeks,] a weekly compensation equal to sixty-six and two-thirds percent of his average weekly earnings subject to the limitations in subsection (5) of KRS 342.070 for the periods stated herein *such entitlement to the scheduled benefits shall not preclude an employe's claim for benefits under KRS 342.095 (3) or KRS 342.110*:

(1) For the loss of a thumb, sixty weeks.

(2) For the loss of a first finger, commonly called the index finger, forty-five weeks.

(3) For the loss of a second finger, thirty weeks.

(4) For the loss of a third finger, twenty weeks.

(5) For the loss of a fourth finger, commonly known as the little finger, fifteen weeks.

(6) The loss of the second, or distal phalange, of the thumb shall be considered to be equal to the loss of one-half of the thumb, the loss of more than one-half of the thumb shall be considered equal to the loss of the whole thumb.

(7) The loss of the third, or distal phalange of any finger shall be considered to be equal to the loss of one-third of the finger.

(8) The loss of the middle, or second phalange, of any finger shall be considered equal to the loss of two-thirds of the finger.

(9) The loss of more than the middle and distal phalanges of any finger shall be considered equal to the loss of the whole finger, but in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand.

(10) For the loss of a metacarpal bone (bone of the palm) for the corresponding thumb, finger or fingers above, add ten weeks to the number of weeks as above.

(11) For ankylosis (total stiffness of) or contractures (due to sears or injuries) which makes the fingers useless, the same number of weeks apply to such finger or fingers (including thumb) as given above.

(12) For the loss of a hand, one hundred fifty weeks.

(13) For the loss of an arm, two hundred weeks.

(14) For the loss of one of the toes, other than the great toe, ten weeks.

(15) For the loss of the great toe, thirty weeks.

(16) The loss of more than two-thirds of any toe shall be considered to be equal to the loss of the whole toe.

(17) The loss of less than two-thirds of any toe shall be considered to be equal to the loss of one-half toe.

(18) For the loss of a foot, one hundred twenty-five weeks.

(19) For the loss of a leg, two hundred weeks.

(20) For the total and permanent loss of the sight of an eye, one hundred weeks, plus an additional twenty weeks in cases where the eyeball is enucleated.

(21) For the total and permanent loss of hearing in one ear, seventy-five weeks.

HB 580, AN ACT relating to unemployment insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (7) of Section 341.030 of the Kentucky Revised Statutes is amended to read as follows:

(7) "Wages" does not, for the purposes of KRS 341.260 to 341.290, include that part of remuneration which, after wages equal to *four* [three] thousand *eight hundred* dollars have been paid to a worker by a subject employer with respect to covered employment during any calendar year, is paid to such worker by such subject employer with respect to covered employment during such calendar year; except that if the term "wages" as defined in the Federal Unemployment Tax Act is amended to include remuneration in excess of *four* [three] thousand *eight hundred* dollars, "wages" for the purpose of this chapter shall include remuneration with respect to covered employment up to an amount equal to the amount specified in such Federal Unemployment Tax Act, as amended. For the purpose of this subsection wages paid to a worker by a predecessor subject employer shall be considered as having been paid by its successor.

Section 2. Section 341.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) All benefits shall be paid through employment offices, or such other agencies as may be designated by regulations of the commission. Claims for all payments of benefits shall be made in accordance with regulations of the commission.

(2) The weekly benefit rate payable to an eligible worker for weeks of unemployment shall, except as provided in KRS 341.390, be an amount equal to one twenty-fifth of his base-period wages in that calendar quarter of his base period in which such wages were highest, except that no worker's weekly benefit rate shall be less than twelve dollars nor more than the maximum rate as determined in accordance with subsection (3) of this section.

(3) Prior to the first day of July of each year the commissioner shall determine the average weekly wage for insured employment by dividing the average monthly employment, as obtained by dividing the total monthly employment reported by subject employers for the preceding calendar year by twelve, into the total wages reported by such employers for such calendar year and dividing by fifty-two. *Fifty* [Fifty-five percent of eighty-five] percent of the amount thus obtained, adjusted to the nearest multiple of one dollar, shall constitute the maximum weekly benefit rate for those workers whose benefit year commences on or after the first day of July of such year and prior to the first day of July of the next following year.

(4) The maximum amount of benefits payable to any workers within any benefit year shall be the amount equal to whichever is the lesser of (a) twenty-six times his weekly benefit rate or (b) one-third of his base-period wages, except that no worker's maximum amount shall be less than fifteen times his weekly benefit rate. Such maximum amount, if not a multiple of one dollar, shall be adjusted to the nearest multiple of one dollar.

The Committee Amendment to **HB 580** is as follows:

Amend printed copy of House Bill 580 on page 1, line 5, by: deleting the word *"four"*, removing the brackets from the word "three" and deleting the words *"eight hundred"* and

on line 11 delete the word *"four"*, remove the brackets from the word "three", delete the word *"eight"* and on line 12 delete the word *"hundred"*.

Calendar

HB 258, HB 287, HB 321, HB 422, HB 509, HB 611, HB 612, HB 613, HB 614, HB 615, HB 616, HB 617, HB 618, HB 623, HR 65, HR 70, SB 208, SB 89 and **SB 176** taken from the Calendar and ordered read at length for the second time. Representative McBrayer moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Senate Message

Announcing passage of **HB 90, HB 227, HB 245, SB 221, SB 215, SB 222, SB 188, SB 12, SB 261, SB 241, SB 207, SB 288** and **SR 69.**

Motions, Petitions and Communications

Representative Louden moved that **HB 562** be discharged from the Committee on Appropriations and Revenue. The Discharge Petition was filed on March 5, 1970.

On the roll call the vote was yeas 32—Alexander, Allen, Blandford, Blythe, Archie Brown, Hershel Brown, Clapp, Walter Davis, Deskins, Donnermeyer, Durham, Floyd, Freeman, L. T. Hardin, Holloway, Huff, Hughes, Keene, Keith, King, Louden, Lovins, McKinney, Mershon, Parish, Rickert, Roberts, Salyers, Swinford, Wells, West, John E. White. Nays 24—Baker, Bleemel, Blume, Bruce, Clarke, Curlin, Dorris, J. Hardin, Isler, Kenton, Lewis, McBride, McCann, May, Mitchell, Paxton, Peak, Prather, T. Reynolds, W. J. Reynolds, Ruh, Van Horn, Wible, Wyatt.

The motion that **HB 562** be discharged from the Committee on Appropriations and Revenue was rejected.

Representative McBride requested that he be recorded as voting "nay" on **HB 452** and "aye" on **HB 240.**

Representative McNamara requested that her vote be changed from "yea" to "not voting" on **HB 451.**

Report on Enrolled Bills

The Committee on Enrollment reported **SB 96, SB 114, SB 108** and **SB 122** had been examined and found correctly enrolled. **SB 96, SB 114, SB 108** and **SB 122** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Motions, Petitions and Communications (Continued)

Representative Carter moved that **HB 157** be given a first reading, report of the Committee on Counties and Special Districts notwithstanding.

On the roll call the vote was yeas 54—Alexander, Allen, Arnett, Blandford, Blume, Carroll, Carter, Clapp, Clarke, Conn, Curlin, Deskins, Donnermeyer, Freeman, Graves, Haney, Hughes, Isler, Keene, Kenton, Kidd, King, Kleier, Lewis, Lovins, McBrayer, McCann, May, Mershon, Miller, Murphy, Nett, Parish, Paxton, Pollitte, Prather, Priddy, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Siemens, Simmons, Swinford, Van Horn, Wells, Wenz, Wible, Wyatt, Yocom. Nays 9—Bleemel, A. Brown, H. Brown, Bruce, Huff, Keith, Lindsay, Roberts, G. White.

The motion that **HB 157** be given a first reading, report of the Committee on Counties and Special Districts notwithstanding, was adopted.

HB 157 was read at length for the first time and ordered placed in the Calendar.

HB 157, AN ACT relating to Watershed Conservancy Districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 262.791 of the Kentucky Revised Statutes is amended to read as follows:

(1) Ten years subsequent to the organization of a Watershed Conservancy District, twenty-five or more of the land-

owners within a district, or, if less than fifty landowners are in a district, a majority of the landowners in such district, may file a petition in the circuit court of the county wherein the largest acreage of the district lies, and a copy of the petition shall be served upon the board of supervisors. The petition shall pray that the existence of the district be discontinued, and shall state that all financial obligations of the district have been met or can be met from funds held by the district.

[(1) Ten years subsequent to the organization of a Watershed Conservancy District a majority of the landowners within the district may file a petition with the board of supervisors praying that the existence of the district be discontinued. The petition shall state the reason for discontinuance and that all obligations of the district have been met;]

(2) After giving due notice as prescribed by subsection (4) of KRS 262.010(4), the circuit court shall conduct a hearing on the petition for the purpose of determining whether all financial obligations of the district have been met or can be met from funds held by the district.

[(2) After giving due notice as defined in KRS 262.010(4), the board of supervisors shall conduct a hearing on the petition for the purpose of determining whether the reasons given for discontinuance are valid and that all obligations have been met. Obligations shall include written agreements and contracts officially entered into by the district and any duty imposed upon the district by law;]

(3) If evidence presented at the hearing as determined by the circuit court, reveals that all financial obligations of the district have been met or can be met with funds held by the district, the circuit court shall order that a referendum be held within sixty days, the said referendum to be held as provided in KRS 262.750.

[(3) If evidence presented during the hearing, as determinded by the board of supervisors, reveals that all obligations have not been met, the petition for discontinuance shall be denied. If it is determined that all obligations have been met, the supervisor shall, within sixty days, hold a referendum as provided in KRS 262.750.]

(4) If a majority of the votes cast in such referendum favor a discontinuance of the district the circuit court shall order the discontinuance upon proof that there are no outstanding financial obligations on the part of the district.

Report of Committees (Continued)

The Committee on Rules reported **HB 425** has been recommitted to the Committee on Cities for the purpose of amending.

The Committee on Rules reported **HR 79** has been posted for passage in Orders of the Day, March 6, 1970.

The Committee on Rules reported **HB 61, HB 505, HB 434, HB 11, HR 68, HB 161, HB 253, HB 322, HB 384, HB 323, HB 356, HB 417, HB 421, HB 439, HB 414, HB 546, HB 566, HB 577, HB 581, HB 587, HB 600, HB 601, SB 30, SB 51, SB 76, SB 116, SB 124, SB 212, SB 265, HR 82, HR 83** and **HR 84** have been posted for passage in Orders of the Day, March 9, 1970.

Orders of the Day

Representative McBrayer moved the adoption of the following **SR 69:**

SCR 69, A CONCURRENT RESOLUTION inviting the Honorable James A. Rhodes, Governor of Ohio, to address the General Assembly.

WHEREAS, The Honorable James A. Rhodes, Governor of Ohio, has indicated his state's desire to negotiate a re-establishment of the boundary line between Kentucky and Ohio; and

WHEREAS, this is a matter that concerns all of the people of the Commonwealth of Kentucky and their elected representatives in the General Assembly;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That The Honorable James A. Rhodes, Governor of the State of Ohio, be invited to address a joint session of the General Assembly at 7:00 p.m., Eastern Standard Time, on Monday, March 9, 1970.

Section 2. That copies of this resolution be forwarded to The Honorable James A. Rhodes and to the Governor of Kentucky.

On the roll call the vote was yeas 86—Alexander, Allen, Baker, Blandford, Bleemel, Blume, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Carter, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Huff, Isler, Keene, Keith, Kenton, Kessinger, Kidd, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, Massey, May, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wyatt, Yocom. Nays 2—King, Roberts.

SR 69 was adopted.

Representative Lewis moved that the House concur in the following Senate amendment to **HB 36:**

Amend printed copy of House Bill 36 on page 2, line 8, by: adding the following:

"*(3) This section does not apply to wills.*

(4) The receipt for record and recording of any instrument by the county clerk without compliance with the provisions of this section shall not prevent such record or filing of the instrument from becoming notice as otherwise provided by law, nor impair the admissibility of the record as evidence."

Agreed.

Representative Lewis moved that **HB 36** be placed upon its passage as amended.

On the roll call the vote was yeas 78—Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Bruce, Carroll, Clarke, Conn, Curlin, James A. Davis, Walter Davis, Donnermeyer, Dorris, Durham, Graves, Haney, John O. Hardin, L. T. Hardin, Hinkle, Huff, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Louden, Lovins, McBrayer, McBride, McCann, McKinney, McNamara, May, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 36 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 36** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative Wyatt filed an amendment to **SB 124.**

HB 347, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Rickert moved the adoption of the Committee Substitute to **HB 347.** Agreed.

Representative Rickert moved that the floor Amendment No. 1 to **HB 347** be withdrawn. Agreed.

Representative Rickert moved the adoption of the following Amendment No. 2 to **HB 347:**

Amend printed copy of Committee Substitute for House Bill 347 on page 5, between lines 9 and 10, by inserting the following words: "To prevent waste of public money or duplication of state services, excepting members of the General Assembly, no other state officer, department, agency, or commission shall perform or attempt to perform similar functions, powers, or duties provided in this Act without the prior written consent of this Commission."

Agreed.

On the roll call the vote was yeas 68—Bartley, Blandford, Blume, Blythe, Archie Brown, Hershel Brown, Carroll, Carter, Clapp, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Hinkle, Holloway, Huff, Isler, Keene, Kenton, Kessinger, Kidd, King, Knuckles, Lewis, Lindsay, Louden, McBrayer, McBride, McCann, McNamara, May, Mershon, Nett, Osborne, Pollitte, Prather, Priddy, Rattliff, Ray, Russell Reynolds, W. J. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Stuart, Tobin, Van Horn, Wenz, West, Wheeler, Wible, Wright, Wyatt, Yocom. Nays 21—Alexander, Allen, Arnett, Baker, Bleemel, E. G. Brown, Head, Hughes, Keith, Kleier, Lovins, McKinney, Mitchell, Parish, Paxton, Peak, Reed, Roberts, Swinford, Wells, G. White.

HB 347, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative Rickert moved that the vote by which **HB 347,** by way of Committee Substitute as amended, was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that **HB 65, HB 225** and **HB 369** be deferred and that they retain their position in Orders of the Day. Agreed.

Senate Message

Announcing passage of **SB 226.**

Representative McBrayer moved that **HB 436** and **HB 474** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 216 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Wyatt moved the adoption of the following Amendment to **HB 216:**

Amend printed copy of House Bill 216 on page 2, line 10, by: striking all of line 10 following the word "Governor" and on page 2, by striking line 11 in its entirety and all of line 12 preceding the words "No elected" and inserting in lieu thereof the following:

"from a list of 27 nominees submitted to the Governor by the Legislative Research Commission. The Legislative Research Commission shall submit the names of three nominees for each position on the commission. In submitting the names of three nominees from each congressional district, the Legislative Research Commission shall include at least one member of each of the major political parties. In submitting the names of six nominees from the state at large, the Legislative Research Commission shall include at least two members of each of the major political parties. The party affiliation of the members of the commission shall generally reflect the ratio of party affiliation of the total membership of the General Assembly at the time of the appointment of the commission members."

and on page 2, lines 15-17 by striking lines 15-17 in their entirety and inserting in lieu thereof the following:

"(2) The commission members shall be nominated on or before July 15, 1970 and appointed on or before August 1, 1970, and nominated on or before July 15 and appointed on or before the first day of August of every tenth year thereafter."

and on page 3, line 9 by adding at the end of line 9 the following:

"The commission shall submit a minimum of three reapportionment plans to the Governor and to the Legislative Research Commission. These three plans shall take into consideration all equitable, variable factors as provided in Section 1 of this Act."

Agreed.

Representative DeMarcus moved that **HB 216** as amended be laid on the table.

On the roll call the vote was yeas 53—Allen, Baker, Bartley, Blandford, Archie Brown, Edward G. Brown, Hershel Brown, Clapp, Clarke, James A. Davis, Walter Davis, DeMarcus, Dorris, Durham, Floyd, Graves, Haney, John O. Hardin, L. T. Hardin,

Head, Hinkle, Huff, Keene, Keith, Kessinger, King, Knuckles, Lindsay, Lovins, McKinney, McNamara, May, Mitchell, Murphy, Osborne, Parish, Rattliff, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Roberts, Salyers, Sharpe, Simmons, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White. Nays 35—Bleemel, Blume, Blythe, Bruce, Carroll, Carter, Conn, Curlin, Donnermeyer, Freeman, Holloway, Hughes, Isler, Kenton, Kidd, Kleier, Lewis, McBrayer, McCann, Mershon, Miller, Nett, Paxton, Peak, Prather, Priddy, Ray, Reed, Rickert, Ruh, Siemens, Wible, Wright, Wyatt, Yocom.

HB 216 as amended was laid on the table.

HB 497 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 67—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blythe, Archie Brown, Edward G. Brown, Hershel Brown, Carter, Clarke, Conn, Curlin, Donnermeyer, Dorris, Durham, Floyd, Freeman, Graves, Haney, John O. Hardin, L. T. Hardin, Head, Hinkle, Holloway, Isler, Keene, Keith, Kenton, Kidd, King, Lewis, Louden, Lovins, McBrayer, McCann, McNamara, Mershon, Mitchell, Murphy, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Sharpe, Swinford, Tobin, Wells, Wenz, West, Wheeler, John E. White, Wible. Nays 6—DeMarcus, Huff, Lindsay, Siemens, Stuart, Van Horn.

HB 497 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 497** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McCann filed an amendment to **HB 61**.

Representative McBrayer moved that **HB 521** and **SB 125** be deferred and that they retain their position in Orders of the Day. Agreed.

HB 430, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third

time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Wible moved the adoption of the Committee Amendment to **HB 430.** Agreed.

On the roll call the vote was yeas 50—Allen, Arnett, Blandford, Bleemel, Blume, Hershel Brown, Carter, Clarke, Conn, Curlin, James A. Davis, Freeman, Graves, Head, Hinkle, Isler, Kenton, King, Knuckles, Lewis, Lindsay, McCann, McNamara, May, Mershon, Miller, Mitchell, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Priddy, Ray, Russell Reynolds, Roberts, Ruh, Schmidt, Siemens, Stuart, Swinford, Tobin, Van Horn, West, Wheeler, Glenn White, Wible, Wyatt, Yocom. Nays 19—Baker, E. G. Brown, Clapp, DeMarcus, Durham, Floyd, L. Hardin, Holloway, Hughes, Keith, Lovins, McBrayer, Parish, W. J. Reynolds, Rickert, Salyers, Sharpe, Wenz, Wright.

HB 430 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 430** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 469 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Freeman moved that **HB 469** be laid on the Clerk's desk. Agreed.

Representative McBrayer moved that **SB 151** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 270 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 74—Allen, Arnett, Baker, Blandford, Bleemel, Blume, Blythe, Edward G. Brown, Hershel Brown, Carter, Clapp, Clarke, Conn, Curlin, James A. Davis, Donnermeyer, Durham, Floyd, Freeman, Graves, Haney, Head,

Huff, Isler, Keene, Keith, Kenton, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lindsay, Lovins, McBrayer, McCann, McKinney, McNamara, May, Mershon, Miller, Mitchell, Nett, Osborne, Paxton, Peak, Pollitte, Prather, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Rickert, Ruh, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright, Wyatt, Yocom. Nays 0.

HB 270 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 270** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 279, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative DeMarcus moved the adoption of the Committee Amendment to **HB 279.** Agreed.

On the roll call the vote was yeas 76—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Blythe, Archie Brown, Edward G. Brown, Carter, Clarke, Conn, Curlin, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Durham, Floyd, Graves, Haney, John O. Hardin, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kessinger, Kidd, King, Kleier, Knuckles, Lewis, Lovins, McBrayer, McCann, McKinney, May, Mershon, Miller, Mitchell, Nett, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, Wenz, West, Wheeler, Glenn White, John E. White, Wible, Wright. Nays 0.

HB 279 as amended was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 279** as amended was passed be reconsidered and said motion be postponed indefinitely. Agreed.

Representative McBrayer moved that **HB 318** be deferred and that it retain its position in Orders of the Day. Agreed.

HB 338 taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

On the roll call the vote was yeas 71—Alexander, Allen, Arnett, Baker, Bartley, Blandford, Bleemel, Blume, Edward G. Brown, Hershel Brown, Carter, Clarke, Curlin, James A. Davis, Walter Davis, DeMarcus, Donnermeyer, Durham, Floyd, Graves, Haney, Head, Hinkle, Holloway, Huff, Hughes, Isler, Keene, Keith, Kenton, Kessinger, King, Knuckles, Lewis, Lindsay, McBrayer, McCann, McKinney, May, Mershon, Miller, Mitchell, Osborne, Parish, Paxton, Peak, Pollitte, Prather, Priddy, Rattliff, Ray, Reed, Russell Reynolds, T. P. Reynolds, Rickert, Ruh, Salyers, Schmidt, Sharpe, Siemens, Simmons, Stuart, Swinford, Tobin, Van Horn, Wells, West, Wheeler, John E. White, Wible, Wright. Nays 1—G. White.

HB 338 was passed and the title agreed to.

Representative McBrayer moved that the vote by which **HB 338** was passed be reconsidered and said motion be postponed indefinitely. Agreed.

HB 318, with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Representative McBrayer moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Lewis moved the adoption of the Committee Amendment to **HB 318.** Agreed.

Representative Hughes moved the adoption of the following Amendment to **HB 318:**

Amend printed copy of House Bill 318 on page 2, line 8, by:

deleting the word "and" by bracketing and inserting in lieu thereof a comma

also on line 8 following the word *"clothing"* inserting the words *"and ornaments"*

Agreed.

Representative Lewis moved that **HB 318** as amended be

deferred and that it retain its position in Orders of the Day. Agreed.

Representative McBrayer asked that a roll call be taken to determine the wishes of the House in regard to whether to continue work or adjourn.

On the roll call the vote was yeas 45—Alexander, Allen, Bartley, Blandford, Archie Brown, Hershel Brown, Curlin, DeMarcus, Durham, Floyd, Haney, L. T. Hardin, Head, Hinkle, Huff, Hughes, Kessinger, Kidd, Knuckles, Louden, McBrayer, McKinney, McNamara, Mershon, Miller, Murphy, Osborne, Peak, Pollitte, Rattliff, Russell Reynolds, T. P. Reynolds, W. J. Reynolds, Roberts, Ruh, Schmidt, Sharpe, Stuart, Tobin, Wells, Wenz, West, Wheeler, Glenn White, John E. White. Nays 23—Baker, Carter, Conn, Graves, Isler, Keith, Kenton, King, Lewis, Lovins, McCann, Mitchell, Nett, Paxton, Priddy, Ray, Reed, Siemens, Simmons, Swinford, Van Horn, Wible, Yocom.

The roll call showed the members of the House expressed a desire to continue work.

Representative McBrayer moved that when the House adjourns today, it do so by voice vote; and, that when it convenes again, it do so on Monday, March 9, 1970 at 3:00 p.m. Agreed.

Representative Hinkle filed an amendment to **HB 61.**

Representatives Lindsay and Hughes requested that they be recorded as voting "aye" on the passage of **HB 279.**

Introduction of Bills and Resolutions (Continued)

HB 710, by Representative Wible: AN ACT relating to Commonwealth's Attorneys and district detectives.

HB 711, by Representative Keene: AN ACT relating to agricultural products.

HB 712, by Representatives Keith, Keene, Durham, Osborne, Floyd, Reed, Head, Freeman and Blandford: AN ACT relating to dairies.

HB 713, by Representatives Wheeler, Kenton and Van Horn:

AN ACT relating to rate of retirement annuity for policemen and firemen in second class cities.

HB 714, by Representative Wheeler: AN ACT relating to property.

HB 715, by Representative Blythe: AN ACT relating to rights of action against counties.

HB 716, by Representative Baker: AN ACT relating to teachers' retirement.

HB 717, by Representative Lewis: AN ACT relating to the review of administrative regulations.

HR 89, by Representatives Dorris, R. Reynolds, Miller, E. G. Brown and A. Brown: A RESOLUTION requesting the Kentucky Department of Highways to name a roadside park in honor of Paul Everett Young, Jr.

HCR 90, by Representatives Keene and DeMarcus: A CONCURRENT RESOLUTION directing the Legislative Research Commission to study the economic impact of toll road facilities.

HJR 91, by Representatives Kenton, Wyatt, Conn and Blume: A JOINT RESOLUTION creating the Kentucky Urban Affairs Council.

Report of Committees (Continued)

The Committee on Judiciary reported **SB 24** with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 24, AN ACT relating to judicial districts.

WHEREAS, the General Assembly has given due regard to the elements of territory, business and population involved in the division of the state into judicial districts; and

WHEREAS, with such due regard, the General Assembly has found the following facts to exist:

(1) That the entire population of the state as of the last preceding Federal census is 3,038,156.

(2) That upon the basis of such population, additional judicial districts may be established to those now existing, pursuant to Sections 128 and 132 of the Constitution.

(3) That it will be convenient and advantageous from the standpoint of territory, and will comply with the spirit and intent of the Constitution with respect to population and expedite the business in the counties involved, to create a new judicial district to consist of the county of Henderson, to change the Fourth Judicial District so that it consists of the counties of Hopkins and Caldwell, and to change the Fifth Judicial District so that it consists of the counties of Webster, Union and Crittenden.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Fourth Judicial District shall hereafter be composed of the counties of Hopkins and Caldwell.

Section 2. The Fifth Judicial District shall hereafter be composed of the counties of Webster, Union and Crittenden.

Section 3. A new Judicial District is established, to consist of the county of Henderson.

Section 4. The present circuit judges of the Fourth and Fifth Judicial Districts shall retain their offices for the terms for which they were elected for the said districts as they have been changed under this Act.

Section 5. The present Commonwealth's attorney for the Fourth Judicial District, being a resident of Hopkins County, shall retain his office for the term for which he was elected for the said district as it has been changed under this Act.

Section 6. The offices of circuit judge and Commonwealth's attorney for the new judicial district established by this Act are hereby created.

Section 7. The present Commonwealth's attorney for the Fifth Judicial District, being a resident of Henderson County, shall serve as Commonwealth's attorney for this newly created district until the expiration of his term of office.

Section 8. Until the regular election for circuit judge in 1975, the office of circuit judge for this newly created district shall be filled as provided in Section 152 of the Constitution for offices in which there is a vacancy.

Section 9. Until the regular election for Commonwealth's attorney in 1975, the office of Commonwealth's attorney in the Fifth Judicial District shall be filled as provided in Section 152 of the Constitution for offices in which there is a vacancy.

Section 10. At the regular election in 1975 and every six years thereafter there shall be elected a circuit judge and a Commonwealth's attorney for the newly created judicial district.

Section 11. The effective date of this act shall be January 1, 1971.

The Committee Amendment to **SB 24** is as follows:

Amend printed copy of Senate Bill 24 on pages 2 & 3, by:

striking in their entirety lines 22 and 23 on page 2 and lines 1-6 on page 3 and inserting in lieu thereof the following:

"Section 8. The changes made in judicial districts and the new offices created by this Act shall take effect January 1, 1971, and no vacancy shall be deemed to exist in any office prior to that time. At the regular election in 1970 the voters shall elect a circuit judge for the district created by this Act and a Commonwealth's attorney for the district created by this Act, who shall serve until their successors are chosen as provided by law."

and on page 3, line 7, by deleting "Section 10" and inserting in lieu thereof "Section 9"

and on page 3, lines 10 and 11 by striking lines 10 and 11 in their entirety.

Announcements

The Clerk announced the following Bills and Resolutions were posted for consideration:

Education: **SB 228, SB 194, SB 232, SB 168, HB 643, HB 665, HR 72, HB 702.** (Special Meeting, Room 401, March 9, 1970, 1:30 p.m.)

State Government: **HR 12, HR 26, SB 90, SB 230, SB 146, SB 167, SB 283, SB 290.** (Special Meeting, Room 401, March 9, 1970, 10:45 a.m.)

Banking and Insurance: **SB 253, HB 684, HB 695, HB 698, HB 574.** (Room 402, March 10, 1970, 9:30 a.m.)

Judiciary: **HB 188, HB 190, HB 230, HB 446, HB 489, HB 496, HB 505, HB 512, HB 539, HB 550, HB 573, HB 602, HB 619, HB 629, HR 69, HB 635, HB 637, HB 639, HB 649, HB 654, HB 655, HB 656, HB 657, HB 658, HB 662, HB 664, HB 666, HB 675, HB 677, SB 311, SB 285, HB 291, HB 699.** (Special Meeting, Room 402, March 9, 1970, on adjournment)

Appropriations and Revenue: **HB 676, HB 678, HB 661, HB 646, HB 697, HB 526, HB 72, HR 35.** (Special Meeting, Room 403, March 9, 1970, 1:00 p.m.)

Highways and Traffic Safety: **HB 681, SB 156.** (Room 401, March 11, 1970, on adjournment)

Cities: **SB 303, HB 642, HB 425, HB 673.** (Special Meeting, Room 402, March 9, 1970, 1:00 p.m.)

Agriculture and Natural Resources: **HR 86, SB 67, SR 36.** (Room 401, March 9, 1970, on adjournment)

The Clerk announced the following Bills and Resolutions had been withdrawn from consideration:

Agriculture and Natural Resources: **HB 362.**

Representative Graves filed an amendment to **HB 180.**

Representative McBrayer moved that the House adjourn until 3:00 p.m., Monday, March 9, 1970. Agreed.